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University of California/Berkeley
Regional Oral History Office

California Wine Industry Oral History Project

Otto E. Meyer

CALIFORNIA PREMIUM WINES AND BRANDIES

With an Introduction by
Maynard A. Amerine

An Interview Conducted by
Ruth Teiser

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Photograph, Courtesy of the Wine Institute

Otto Meyer, President, Paul Masson Vineyards

Otto E. Meyer — Vintner and Patron Of Arts, Education

Otto E. Meyer, a noted vintner and patron of Bay Area arts and education, died yesterday in his home in San Francisco. He was 90 and suffered from a heart condition.

Mr. Meyer was born into a wine-growing family in Germany. He was president and later board chairman of Paul Masson Vineyards from 1959 until his retirement in 1974.

He devoted a major part of his life to community service. He was long active with the San Francisco Opera, serving as president of Spring Opera in 1975 and 1976, and as board chairman for the next four years. He was a founding member of the Merola Program Board in 1963 and a member of the Opera Association Board from 1974 until his death.

He also helped initiate the Music at the Vineyards summer concert series at the Paul Masson Vineyards in Saratoga in 1958 and then oversaw its operation. He was a founding trustee of San Francisco Performances in 1979 and a board member of the Performing Arts Library and Museum starting in 1982.

In 1991 he established an endowment fund for the string quartet program at San Francisco State University to ensure the residency there of the Alexander String Quartet. He was given an honorary doctorate by San Francisco State

in 1990.

Mr. Meyer also played a leading role in memorializing the work of photographer Ansel Adams, as a founder and trustee of the Friends of Photography.

He emigrated to the United States in 1938 when the Nazis seized his family's firm. Joining the Christian Brothers firm in 1940, he developed its brandy production. Five years later he took over production and development of Paul Masson Vineyards. He directed the building of its champagne cellars and a new winery in Soledad in Monterey County, developed new vineyards and initiated the export of Paul Masson products into 40 foreign markets.

In 1969, Mr. Meyer was awarded the University of California at Davis Centennial Citation.

He also served as a director of the California State University Foundation and Chancellors' Associates and was a trustee of the World Affairs Council of Northern California.

Mr. Meyer is survived by his wife, Susan; a son, Thomas of San Francisco; a daughter, Ursula Gropper of Sausalito; two grandchildren, two great-grandchildren,

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PREFACE

The California Wine Industry Oral History Series, a project of the Regional Oral History Office, was initiated in 1969, the year noted as the bicentenary of continuous wine making in this state. It was undertaken through the action and with the financing of the Wine Advisory Board, and under the direction of University of California faculty and staff advisors at Berkeley and Davis.

The purpose of the series is to record and preserve information on California grape growing and wine making that has existed only in the memories of wine men. In some cases their recollections go back to the early years of this century, before Prohibition. These recollections are of particular value because the Prohibition period saw the disruption of not only the industry itself but also the orderly recording and preservation of records of its activities. Little has been written about the industry from late in the last century until Repeal. There is a real paucity of information on the Prohibition years (1920-1933), although some wine making did continue under supervision of the Prohibition Department. The material in this series on that period, as well as the discussion of the remarkable development of the wine industry in subsequent years (as yet treated analytically in few writings) will be of aid to historians. Of particular value is the fact that frequently several individuals have discussed the same subjects and events or expressed opinions on the same ideas, each from his own point of view.

Research underlying the interviews has been conducted principally in the University libraries at Berkeley and Davis, the California State Library, and in the library of the Wine Institute, which has made its collection of in many cases unique materials readily available for the purpose.

Three master indices for the entire series are being prepared, one of general subjects, one of wines, one of grapes by variety. These will be available to researchers at the conclusion of the series in the Regional Oral History Office and at the library of the Wine Institute.

The Regional Oral History Office was established to tape record autobiographical interviews with persons who have contributed significantly to recent California history. The office is headed by Willa K. Baum and is under the administrative supervision of James D. Hart, the Director of The Bancroft Library.

Ruth Teiser
Project Director
California Wine Industry
Oral History Series

1 March 1971
Regional Oral History Office
486 The Bancroft Library
University of California, Berkeley

INTRODUCTION

This is a valuable addition to the history of the California wine industry. Coming to California in 1939, Mr. Meyer made a number of special and unique contributions. His first venture, brandy production, was long overdue. He notes particularly that the bottled-in-bond syndrome dominated the industry at this time. Mr. Meyer shows how important controlled distillation of brandy and blending can be. The fact that his competitors did not succeed as well as he may mean that they were less clever in distillation, blending, or promotion. At present, we do not know the relative importance of those three factors. Furthermore, the demands of World War II are an unknown factor not touched on here. Probably the real lesson that Mr. Meyer teaches us about brandy is the critical importance of distillation and blending. (A curious footnote, Thompson Seedless is not a California variety. It is widely grown under other names in the Middle East.)

Meyer is certainly the expert on the development of Salinas Valley as a wine grape producing district. He tells the story from the beginning. Urban encroachment was the villain and he gives credit to the University at Davis as the midwife.

His observations on how long it takes to develop demand for premium quality wines are valuable--10 to 15 years! Careful observation of the market is recommended. He also makes the very good point that it is not the size of the winery that controls quality per se, but rather it is the quality of the decisions made by top management--viticulatural and enological.

Meyer is not a believer in European generic appellations for California wines though he recognizes the necessity of using them. However, he does say that the Emerald Dry "is like a Moselle" in fragrance. His justification of "Rubion" and "Baroque" as coined type names is interesting. One wonders what would happen if all California wineries used coined names for all of their wines.

The story of "Music at the Vineyards" is well told. It was good public relations for Paul Masson, and it was good for young composers, performers and for the public.

Mr. Meyer again makes a plea for honest labeling of imported wines. He also believes it important that California wines sell on the international market without undue tariff restrictions. However, he recognizes the chilling effect of European Common Market regulations on this.

In the final analysis, Otto Meyer's contributions to the California wine industry are primarily related to good public relations. One sees now that in his California career he has been trying to create a better image for the wines of his company and for the wines of the whole state.

What one misses in this interview is Otto Meyer's cordiality and helpfulness. He is a great friend of the College of Agriculture and Environmental Sciences of the University of California, and a personal friend of many of the staff.

Maynard A. Amerine
Professor, Viticulture
and Enology

21 February 1973
101 Wickson Hall
University of California at Davis

INTERVIEW HISTORY

As he recounts in this interview, Otto E. Meyer was born in 1903 in Bingen on the Rhine. In 1927, after college and a brief time in the banking business, Mr. Meyer entered his father's wine and brandy firm, and in 1931 he became its general manager. Because of Hitler and the war, the business was destroyed, and in 1938 Mr. Meyer and his family came to the United States. His introduction to American wine and brandy production came in 1939 with K. Arakelian at the Mission Bell Winery. There he became associated with Picker-Linz Importers, later Fromm & Sichel. Through this firm he came to work with Christian Brothers on establishing their brandy business. When Fromm & Sichel acquired an interest in the Paul Masson winery in the 1940's, Mr. Meyer began working with that organization. He became president in 1959. In May, 1972 he became chairman of the board.

Mr. Meyer has been a member of the board of the Wine Institute (elected chairman in 1965) and the Wine Advisory Board. He has also served as a government advisor on exports and imports, and led Paul Masson into exporting its wine, winning the Presidential "E" flag for "an outstanding contribution to the Export Expansion Program" in 1965.

A book of text about and photographs of the Paul Masson Vineyards, sponsored by the company, was published in 1970: *THIS UNCOMMON HERITAGE* by Robert L. Balzer, with an introduction by Professor Maynard A. Amerine (Los Angeles: Ward Ritchie Press, 118 pp.).

The interview was held in three sessions on August 10, 11, and 13, 1971, in Mr. Meyer's pleasant, bright office in the International Building in San Francisco. The interviewer's editing of the transcript consisted principally of rearranging a few passages for improved continuity. The transcript went to Mr. Meyer on March 3, 1972. He made numerous small changes in wording, some deletions, and valuable additions of explanatory material, returning the text on September 1, 1972. He later re-read the final typescript, making a few minor changes.

Mr. Meyer's cordiality and helpfulness, mentioned by Professor Amerine in his Introduction, were also apparent to and appreciated by the interviewer.

Ruth Teiser
Project Director
California Wine Industry
Oral History Series

16 March 1973
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University of California at Berkeley

(Interview #1 - August 10, 1971)

EARLY YEARS IN GERMANY AND FRANCE

Teiser: Because, as I explained, we're interested in your perspective on the California wine industry and its position in the world, I think your own personal background is of considerable importance in indicating where you gained that perspective. So, may I start with where you were born?

Meyer: I was born in Bingen on the Rhine, the geographical center of the major wine-producing area in Germany, in October of 1903. After formal schooling, young people in Germany at that time went through various phases of business experience. My first apprenticeship was in a bank in Frankfurt. After that I joined my father's business, which was the making of wine and brandy. As a matter of fact, the brandy part of our business was larger than the wine business, but there is a relationship, as there is here. The only difference was that in Germany, brandy was made from imported wines. Imported fortified wines are less expensive and more suitable for the production of brandy than German wines, which are produced in relatively small quantities and are more suitable for consumption as wine. Our wine business consisted primarily of wine from the local area, particularly the Rheingau, Rhinehessen and Nahe districts.

Teiser: When had your family firm been established?

Meyer: It was established by my grandfather Josef Meyer in Bingen on the Rhine, about 1850. His business was then split into three companies each owned by one of his three very active sons, who felt that they

Meyer: could do better on their own. My father's company was Oscar Meyer. After World War I he acquired a French brandy distillery in Jarnac, Texier & Co., as a supplier of wines for the distillation of brandy in Germany. The duty situation enabled one to import raw materials practically duty free while there was a high duty on the finished product. We made a brandy very similar to French Cognac.

I joined my father's company in 1927. The business developed very well, and particularly the brandy business under the Texier brand, until we got into the Hitler period.

Teiser: Before you get onto this (which we want to know about) let me ask you, what functions did you serve in your father's business? This was your apprenticeship in the wine business, was it?

Meyer: After my apprenticeship in the banking business, I had to go through the apprenticeship in the wine business, and this was from making barrels, to the cellar work and the vinification and particularly the tasting and blending of wine and brandy. The greatest emphasis in our family, and in most family-built wine businesses in Europe, was the tasting. It was a daily practice. We had one to two hours set aside somewhere around eleven o'clock in the morning for tasting. And this, of course, was even more essential then than it is today, when you have more controlled production processes.

The people who tasted made the final decision of what should be done with the wine; this has not changed. In wine making you must always know your objective. One must know the characteristics and taste that a particular wine should have. No techniques or laboratory tests can replace the judgment of how a wine should taste, or what improvements can be made in blending to enhance the characteristics and the pleasantness of a wine.

Teiser: Back to the Hitler era...

Meyer: Well, the first two years under the Hitler regime didn't bring about much change, except that one could begin to see the handwriting on the wall.

Teiser: Is your entire family Jewish?

Meyer: Practically, yes. We were slow in recognizing what was coming, which was the case with many families who were settled in the wine region and had vineyards for generations. They just couldn't conceive that these insane threats could become a reality.

But of course after a couple of years things became quite clear. Our first step was to spin off Texier, which was a French corporation, from the Oscar Meyer company. The Oscar Meyer company was confiscated by the Nazis. My parents went to Switzerland to live and I decided to come to the United States, and did so in 1938. Because of our involvement in the French company I spent some time in France before coming here.

Teiser: You left Germany and went to France?

Meyer: Yes. This was rather foolish because, looking back, there was no reason to delay things. It would have been much wiser to forget the past and look only to the future. Of course, it took some time to get a visa to the United States in those days. My family and I applied for a visa in 1936, but it took a couple of years to get it. We finally left, and when we arrived here I was still involved in the French operation and had to go back from New York to France trying to liquidate the Texier company.

Teiser: Was this after France was occupied?

Meyer: No, no. In the spring of '39. And when things got hot in the eastern part of Europe, I went back to New York without accomplishing my mission.

Teiser: Just to make sure that I understand--you in effect became the manager of your family property in that period?

Meyer: That's right. We still had a controlling interest in the French corporation and its branch in Germany. Well, let me tell you an interesting story. Our former sales manager became the president of the German branch of the French corporation. During the German occupation of France in World War II, he was appointed commissioner for the Cognac and Bordeaux

Meyer: districts. Although he became a German captain, he was neither a military man nor a Nazi, but a great opportunist, and he knew the French well. Before he came with us, he was export manager for a Bordeaux house, which qualified him for the position as commissioner for the most important wine and brandy producing areas. During the German occupation of France, he set the machinery in motion to become the owner of the Texier company by liquidating the parent company in France and buying its assets with the funds of the company in Germany.

All these transactions were, of course, set aside after the war in the restitution process. In the last days of the war, the brandy warehouses at Bingen with their valuable inventories were destroyed. When the war was practically over and the American troops were just coming in to occupy the town, some wizard started to shoot at the American tanks with rifles, so they pulled out their artillery, and what they hit was our brandy warehouse, which blew up. Consequently, the values were greatly reduced.

Teiser: But, after the war, restitution was made then?

Meyer: Restitution was made, but I negotiated a settlement very early because I really wanted no part of any business there, and the new man made a pretty good deal.

In the meantime we had established ourselves here. I had joined my brother-in-law, Alfred Fromm who, before my arrival in California, had already established a relationship with the Christian Brothers in the wine business.

Teiser: Perhaps this is the place to explain something of the Fromm and Sichel enterprise.

Meyer: Yes, because it is closely connected with my first activity; Paul Masson came later.

Teiser: You had married Mr. Fromm's sister in Germany?

Meyer: In Germany, yes. His step-sister Margaret.* Alfred and I were old friends before I knew his sister.

*Margaret Fromm Meyer died in 1953. In 1959, Mr. Meyer married Susan Colby.

Meyer: The Fromm family moved to Bingen where I was born, I think it was somewhere around 1926 or '27. They were in Kitzingen on the Main River, which is the Franconia wine district in northern Bavaria.

The Fromms had been exporting wines to the United States since the repeal of Prohibition. Alfred had a partnership in the importing company in New York, and when he left Germany he decided to make himself independent of importation of wines from Europe. He then suggested to his partners that they get interested in a premium quality wine from California, although there was very little production of better wines in California at that time.

Teiser: Was that the firm that had earlier been known as Picker-Linz?

Meyer: Picker-Linz Importers, yes, that's correct.

Now when I came here for the first time in the fall of '39, I had to learn about production and the supply situation here. Each wine district is different, not only because of the distance between Europe and this country, but within Europe as well as within California. I had very little experience in the sweet wine and the dessert wine production because this was not our field.

Teiser: What about red wines?

Meyer: Red wines, yes. All kinds of dry wines and brandy. Of course, the first thing I did was look for a job in production to get acquainted with production methods in California. I met Mr. K. Arakelian of the Mission Bell winery in Madera, and after I had a little chat with him, he hired me. That was my first job. I went through a whole production season, in the lab, in the fermenting cellar, and ended up running the still. I had the real practical experience of how things were being done here as compared to my previous experience.

BRANDY MAKING IN CALIFORNIA

Meyer: At that time I became particularly interested in brandy because I recognized that very good brandy could be made from the grapes which were available. The industry and the consumers in general regarded brandy as a kind of a salvage product and a side-line. Whatever could not be used for wine was distilled into brandy, which, of course, was contrary to my previous experience.

Teiser: You don't have the raisin situation in Europe?

Meyer: Only in Greece. In countries where the native wine is relatively expensive, like Germany, the distilling material is imported, either from France, from the Charente district to get closest to the Cognac character, or from other districts and other countries like Hungary and Greece and Italy, wherever suitable wine happened to be available in large quantities and cheap enough for distillation.

In the process of distillation, a very important factor is the elimination of the undesirable and retention of the desirable characteristics, a technique in which I had very good experience.

Teiser: Was it entirely pot stills that were used?

Meyer: Not entirely. We primarily used pot stills, but also continuous stills. Pot still operation depends very much on the skill of the operator. In order to get a good brandy on a pot still, skilled operators are needed but hard to find in this country. You find very good engineers and mechanics, but trained people who are able to use good judgment and are careful of what they're doing are scarce. You find, for instance, in France that the little wine grower who has a still and distills his own wine actually sleeps by the still. This, of course very obviously, is not the method of production in this country.

I made a very careful study of the brandy situation in California because I saw that a very good brandy could be made from the grapes available here, but nobody really believed in it.

Teiser: Was this after the prorate brandy had been produced?

Meyer: Yes, the prorate brandy had been produced, but it was sitting in warehouses with no place to go. This is part of the story of the beginning of the Christian Brothers brandy business.

I called on several people, amongst them A.R. Morrow who was at that time considered the authority on brandy, and had a long discussion with him. Because Mr. Morrow was the leading factor in the brandy business, I wanted his response to my idea. His response was quite negative, because Mr. Morrow was of the opinion that nobody in the United States would buy a brandy which wasn't 100 proof and bottled in bond. He did not believe that people would have confidence in any other brandy. I knew that you cannot make a good brandy 100 proof, bottled in bond, not a brandy which people can really enjoy. You have to blend; you have to be more flexible.

I also discussed it with Mr. Arakelian, and he was much more open-minded, but he wasn't quite ready to get into the brandy business. The natural thing for me to do, of course, was to discuss it with Alfred Fromm and his partners. And jointly we convinced the Christian Brothers to agree to go into the brandy business, which they first resisted because of church policies. Some of the superiors were opposed to the Brothers going into the distilled spirits business, and finally we reached an agreement which satisfied them.

My next job was--where to produce the brandy. I found a tremendous inventory of prorate brandy which nobody wanted. [Laughter]

Teiser: Just there waiting for you!

Meyer: Yes, it was really ready-made. We could never have gotten into the brandy business as quickly and with as little investment--all of us had so little--if it weren't for this reservoir. I also found that one could buy very selectively there. The original distiller of these brandies was really not doing it for his own account. It was financed by the banks, with some government help, as a grape price stabilization program, to utilize the surplus grapes. That

Meyer: was the purpose of it. Not enough consideration was given at that time to the fact that once the grapes were converted into a distilled spirit, it was going to be forced out of bond within a certain period of time and the distilled spirits tax would have to be paid. After eight years, it had to be withdrawn from bond, whether it was sold or not. And this really scared a lot of people.

Teiser: Was there one distiller for...?

Meyer: No, no. Practically everybody who had a still participated in the program. Andy [Andrew G.] Frericks was the first man to tell me about that.* I hadn't read the contracts of the prorate at that time. He said, "Well, you know the original distiller has the first option on that brandy. So if you buy these options you have your choice." Consequently I went to work and tasted each lot of those millions of gallons of prorate brandy to get acquainted with the inventory and classify it by quality and type. It took me about four or five months to do that. As a result I had a complete record of which brandies would be desirable.

We then bought the options from the producers which was not very difficult because they were only too happy to see that somebody had some interest in the brandy; one of the old-timers--I don't want to name names--when we approached him for the option, interrupted immediately and said, "I'm not going to pay anything for it." [Laughing] They thought they even had to pay something to get rid of the tax obligation! [Laughter]

Teiser: They'd already been paid something!

Meyer: Yes, they were paid for the grapes and the distilling, but they had the excise tax obligation hanging over their heads.

We then went to the Bank of America and told them of our plans; to go into the brandy business, a business which required more working capital than we had at our disposal. This was one of the most impressive business experiences of my life, a story which I have told to many people in the Bank of America, and which couldn't happen anywhere else: We

*See also an interview with Andrew G. Frericks in The Wine Industry During the Depression, a volume in this series completed in 1972.

Meyer: were told, "You fellows come up with ten cents and we will loan you ninety cents on each dollar at 2-3/4% interest, and you fellows go to work." This was the answer which Alfred Fromm and I got from the Bank of America in spite of the fact that our English wasn't very good at the time. [Laughter] Much is talked about the opportunities in this country, and so many generalities are offered, but this is a concrete, specific case of what it really means.

Teiser: Who in the bank were you dealing with?

Meyer: It was mainly Fred Ferroggiaro. He was at the head of the credit committee. He had to make the decision.

Well, we came out with Christian Brothers brandy and it was successful right from the start. And then, of course, the war came, and with the war came shortages. With that, of course, came a problem of supply. We had plans to construct a distillery, to make brandy the way it should be made, but because of wartime restrictions we had to be content to modify existing facilities.

Teiser: Where were you making the first brandy?

Meyer: The first brandy was made by the Brothers up in Napa. During the war it was impossible to get sufficient help, and Brother Timothy and the late Brother John did the manual tasks; it was really very challenging, and a far cry from the well-organized production set-up of today. But this was the start of a business from scratch.

I remember that the first rectifying plant, so to speak, at Mont La Salle was built and equipped in 1940 at the total cost of \$2400!

Teiser: If you were starting today, what would you pay?

Meyer: \$240,000. [Laughter] It was a little corrugated shed with a couple of used tanks and a pump and a few hoses and a dumping rack--filter, bottling machine, et cetera.

Teiser: I remember the Christian Brothers brandy of those days, and it was very good.

Meyer: It certainly was! This is something that very few people realize today, that a good job can be done in a simple way.

After the early and primitive beginnings, the Mount Tivy Winery--now owned and operated by the Christian Brothers--was acquired. At the same time, Paul Masson Vineyards was purchased with the intent to build and and develop this prestigious brand into a nationally-distributed wine and champagne on the highest quality level. The Mount Tivy winery and distillery was completely modernized. For the first time in California precision stills were installed to make a quality brandy with automatic controls, with instrumentation and engineering which was unknown in the wine industry until then.

Teiser: I was about to ask about Mount Tivy's background? I can't remember who owned it.

Meyer: It was Fred Veith and Jim Riddell's father, Samuel L. Riddell.

Teiser: How did they happen to decide to sell?

Meyer: They got a good enough offer. [Laughing]

Teiser: Were the stills you installed the first such stills used in the wine industry?

Meyer: It was the first time the more primitive brandy still was replaced by a more versatile, precision instrument. I usually don't mention the oil industry, but most of the engineering was done by engineers of the oil industry, which also has the problem of separating the distillate into fractions.

Teiser: The University at Davis has done some work...

Meyer: They never did very much work on engineering. The University analyzed the brandy components, fusel oils, aldehydes, et cetera, and determined which ones are valuable and which ones are dispensable. And from their work the engineers had to learn how to construct the equipment and the instrumentation to make it possible to eliminate what you did not want and to keep what you wanted in the final product.

Meyer: This for the first time was accomplished at an expensive installation at Mount Tivy with the help of the Seagrams engineers who had an interest in the project, particularly the late Fred Willkie--who was in charge of production for Seagrams. He was a great idealist. When he had an idea, he went all out to test it at all cost. He, for instance, was the first one to experiment with vacuum stills on a large scale.

BRANDY FLAVORS AND BRANDY TYPES

Meyer: When we experimented with making brandy in vacuum stills, the results were very interesting. We got a very fruity product, but so different that nobody liked it. In a vacuum still you can distill a wine at about 100 degrees against 225 degrees; under atmospheric pressure the difference in the product is almost like the difference between fresh fruit and canned fruit. Heat has a great influence on flavors.

Flavor is a very interesting field because it is so complex and flavors are difficult to analyze--which I think is a great blessing, because if all the flavors in a wine could be analyzed and consequently be made synthetically, we would really have a problem in the wine business. [Laughter]

Teiser: I think work at the University at Davis is being done on analyzing the complexities.

Meyer: That's right. This is really important. You must have learned a great deal or you must have studied at Davis.* The complexities of taste characteristics are really the important thing. This is where the old-fashioned wine man has the upper hand over the pure technician. The wine man knows that sometimes one per cent in a blend can make all the difference

*I had learned of it primarily from an interview in this series: Maynard A. Amerine, The University of California and the State's Wine Industry, completed in 1972. R.T.

Meyer: and really change the character of a wine. It is the complexity that does it. Varietal "purism" isn't the solution for the best results. This principle applies to wine as well as to brandy. Sometimes you have two or three brandies, which each by itself is unpleasant and has excesses of one or the other flavor. If you blend them in the right proportion, you will come out with a product usually better than any one of the components in the blend. And that is the art of the Cognac business. A French Cognac is a pretty heavy distillate which really isn't pure in the scientific sense. It has some fusel oils and aldehydes and components in it which as such are not very desirable. However, there is enough skill there to blend the different brandies so the result will be a brandy of a specific and pleasant character which appeals to many people.

Teiser: In the Christian Brothers brandy, what were you aiming to achieve? Which type of brandy?

Meyer: You've put your finger on the most important decision which had to be made. Our first impulse, of course, was to come out with something as close in character to a French Cognac as possible. Actually our first blends were made that way, and it could be done today. We found that this is not really what most people like in this country. As an after-dinner drink, a cordial or a Cognac are fine, but over 90% of the drinking in this country is done before dinner.

We decided to make the brandy suitable for before as well as after dinner drinking. That means a lighter brandy, pleasant as a long drink or in mixed drinks, as well as straight. That is harder to do, and that is the reason we made such great efforts to install more sophisticated equipment: so that the brandies would have the characteristics of a Cognac, but to somewhat lesser degree--not as heavy. They are very low in aldehydes, but they still have a pronounced brandy character. Although there are no statistics on how much is consumed before dinner and how much after, one must assume that there is a considerable before-dinner use of brandy; otherwise the volume couldn't be what it is.

Teiser: What you achieved, was it in effect a new kind of brandy?

- Meyer: In a sense, yes, that was the objective. This development of the American brandy business is a pretty deliberate thing. It's not an accident. We set out to do something different, and it happened to succeed.
- Teiser: What is the distribution of this type of California brandy?
- Meyer: You find it in all distilled spirits markets. The volume is relatively small compared to whiskey except in areas where brandy is traditionally popular like Minnesota and Wisconsin. Many changes in preferences for distilled spirits have occurred over the last 30 years. People drinking alcohol just for the sake of alcohol without a specific taste, prefer vodka. As Howard Gossage claimed Paul Masson said, "If you can't see it or taste it or smell it, why bother?"
- Teiser: I think someone was suggesting the possibility of making a colorless brandy to compete with vodka.
- Meyer: It's like a man dressing as a woman. Most things when they become a gimmick are short-lived.
- Teiser: That's a fascinating story, the brandy story.
- Meyer: We've got to talk about wine which is the subject closest to my heart.

THE PAUL MASSON WINERY AND CHAMPAGNE CELLARS

- Teiser: When did Seagrams finally acquire major interest in Paul Masson?
- Meyer: It acquired a controlling interest in 1950.*
- Teiser: But before that...
- Meyer: In 1946 we started slowly developing and building inventories of champagnes and wines on the highest possible quality level at the Paul Masson winery. At the famous "vineyard in the sky" at Saratoga we started to produce our own grapes, and made some

*For a brief general history of Paul Masson Vineyards, see Appendix I.



Photographs by Catherine Harroun

Otto E. Meyer being interviewed.

Meyer: contracts with growers in Santa Clara County.

Teiser: Had Paul Masson himself made champagne?

Meyer: Yes, always. He really had a fine selection of grape varieties up on "the hill," although the quantities were small.

We started to make champagne and wine to be ready for the market in 1948. Then slowly we began building inventories, and by around 1950-52 we began to open up a few more markets. Until then sales were mostly local. We started to sell in Los Angeles and New York, and from there on market by market until we had national distribution. We leased a winery in Cupertino with enough space for the champagne production. The wines were produced in the old winery on the hill. Once things started to roll, Paul Masson wines were sold by Fromm and Sichel. That was fine as long as quantities were limited. As time went on and we tried to develop more markets we found a conflict within the sales organization selling two brands, and that was in the mid-'fifties.

It was decided to spin off Paul Masson from Fromm and Sichel. Inasmuch as my involvement with the Brothers was no longer necessary, as they had developed a very competent brandy production team, in 1955 I took over management of Paul Masson production as well as sales, and became president of Paul Masson in 1959.

Teiser: How, after your great success with Christian Brothers brandy, did you decide to take Paul Masson's in a different direction?

Meyer: There are different tastes characteristics in brandy as there are in wine. Brandies are by no means identical. Paul Masson brandy has a little more of the Cognac characteristic, while Christian Brothers brandy is a type of its own, as I have described it before. There is plenty of room for variation.

Teiser: Yours is also a blend of course?

Meyer: It's a blend also. There is no basic difference, as you would have it between a Scotch and a Bourbon. But they are different, and this is typical with

- Meyer: most consumer goods. In general, variations are desirable because people have different tastes.
- Teiser: When did you start making brandy under the Masson label?
- Meyer: You know, actually it goes back to the old man, Paul Masson. He had made brandy before Prohibition. There was no Masson brandy after Prohibition until we started again in the mid-'fifties.
- Teiser: You have your own distillery?
- Meyer: The brandies are distilled at Vie-Del in Fresno, which is an affiliated company. They distill the brandy for us and also produce some dessert wines for us.
- Teiser: Am I right in thinking that the Thompson Seedless grape is a California grape? Does it occur anywhere else?
- Meyer: I don't think so. I don't know much about the history of the Thompson Seedless grape, it just occurs to me; I never found out where it came from. It is certainly a grape which has many good features--for instance, as a material for brandy. Aside from Thompson Seedless, there are Grenache, Palominos, and a number of other varieties of grapes which are excellent material for brandy.
- Teiser: Does the Thompson give California brandies a character of their own, as distinct from European brandies?
- Meyer: Well, really not. Because we make our brandies lighter, and because Thompson Seedless if properly handled in fermentation is a very clean neutral material. The characteristics of a brandy are much more determined by the process of distillation, and it is more important for distilling material to be sound than to have varietal characteristics, many of which would get lost in the process of distillation. On the other hand, if you have a grape which has a pronounced character like Muscatel, you have a carryover of the Muscat flavor into the distillate. So a sound wine made from Thompsons and distilled immediately after fermentation makes a very good brandy.

Teiser: Well, back to Paul Masson wines...

Meyer: We decided in 1957 to build a brand new winery and champagne cellars in Saratoga--I don't know if you've seen them. They were built in '58 and opened in '59. This winery had a capacity at least twice what our business required at the time, but it enabled us to build up inventories of aged wines and champagnes, to always stay ahead of sales.

Teiser: How did you happen to decide to go that deeply into champagne?

Meyer: There are very few California champagnes on the premium level on the market. It was Korbel, Beaulieu and Paul Masson, and that was about it. Then you had Taylor and Great Western as the leading New York State champagnes. We thought if we could do as well as they, why shouldn't we make a better champagne? We also felt that the champagne business had a great potential in this country. As you know, this has proven to be correct.

We decided to stay with the bottle fermenting process, but to go with the times in the techniques, to do the disgorging not by riddling individual bottles, but by using the transfer process. This has no effect on the quality of the champagne, as it is solely the mechanical means of removing the sediment after the secondary fermentation. As a matter of fact, filtration in the transfer process has proven to be beneficial, and it is of course a labor-saving device, which becomes more important every day.

Teiser: New techniques have developed?

Meyer: Yes. The techniques really are perfect today. There are many beverages being bottled under high pressure today. You can buy excellent American machines because of the soft drinks and beer and similar applications. In the beginning only European machinery was available, but today you really buy better machines here. Some of the equipment is not being made here because the market isn't big enough, like transfer machines. There are only one or two people in the world who make them.

Meyer: As long as you can do no less or even better in quality by mechanization, there's no excuse not to mechanize. A lot of people hang onto the idea that if you plow a vineyard with a horse, it's better than a tractor. And we hear this remark constantly: Why don't you have a horse anymore up on the hill? Well, it looks attractive and is more romantic. The main point is that one really can do a better job with modern equipment and installations than with old-fashioned methods.

Before the champagne cellars were built, we made several trips to Europe to see what progress had been made there. Our champagne master, the late Hans Hyba,* who had never seen the transfer process, was of course very skeptical. I took him to some prominent champagne producers, and he came back with great enthusiasm for it. Hans Hyba actually had his apprenticeship with Henkel in Germany.

Teiser: When you started at Paul Masson did you bring over European winemakers?

Meyer: They were here already. Kurt Oppen was our first wine master. He worked for Fountaingrove at the time. Kurt Oppen was one of the best wine tasters I have ever known. He determined everything by taste and had that certain sixth sense. He had the whole inventory, his library as he called it, in his head, as every good wine taster should have. But he knew also that 3% of that wine in tank number so-and-so would do the trick to overcome a certain weakness in the wine in number 23. This was the method when the organization was small and we didn't have a large group of chemists, bacteriologists, quality control people and research people. Today it's a different story. In those days we were really dependent on that kind of ability. Then we had the old experienced people in the champagne field like Karl Ickerath and Hans Hyba. After a few years we decided we would take the next step to build a new winery, after giving up the idea of remodeling and trying to modernize out-dated installations.

*Hans Hyba died on November 23, 1968.

NEW GRAPE PLANTINGS

Meyer: Then the next step of course was that we started to run out of good grapes, in Santa Clara and also up north. Then we looked for new vineyard land. This is where the University helped us greatly. We knew what we were looking for. We were looking for not just good soil--that is one of the factors, but not necessarily the most important one. We looked for the right kind of climate. We know that grapes need a lot of sunshine and dry climate to keep them sound, but not heat. You can not have these delicate Rieslings, Pinot Chardonnays, Pinot noirs, et cetera, develop their best flavor and aroma in hot areas. The University today is developing some new varieties from certain crossings to make them suitable for planting in the Central Valley, but the famous old varieties were not meant to grow there. So we looked for cool air.

Salinas Valley has a climatic condition similar to San Francisco. It is open to the Monterey Bay, and the cool ocean wind comes in every afternoon and blows away the hot air. And that's exactly what we need. People told us, "It's much too windy. How can you grow grapes in that strong wind?" I come from an area where we have the same kind of winds at times, and I knew it didn't do any harm to the vines, except for the first tender years when some may have gotten a bit damaged. Once they are vigorous enough, the wind is only good because it dries up the moisture, and, of course, cools the area.

We started the first plantings jointly with Ed Mirassou, with whom we had dealings before. He also was anxious to find land to replace his vineyards in Santa Clara County and to expand. The Santa Clara area has become residential and industrial, and the smog is creeping in. It was not a joint venture in the true sense, but we worked together and a little later Karl Wentz followed us into the Salinas Valley. This was the beginning of a new grape district in California for the best varieties of grapes known. You will hear much more about this new quality district in years to come.

Meyer: We started with 800 acres, and Mirassou with 270 acres. Once we were over the critical period of the young plants supposedly being damaged by winds and we saw it wasn't true, we started on a really large scale. We have about 4000 acres now, which will be expanded to 6000 acres.

Teiser: We're coming to the end of this tape, and I've kept you talking for quite a while, and I wonder if we could start at that point in the next interview and go into some detail on this new planting and also go back to your still wines.

(Interview #2 - August 11, 1971)

Teiser: Yesterday you were telling about the decision to make the plantings in the Soledad area. What were the alternatives you had when you made that decision?

Meyer: The alternatives were to just continue in the already established coastal areas--that is, Napa and Sonoma--or to try warmer coastal regions south of Salinas Valley. In Napa and Sonoma the desirable acreage is limited, and there are lots of spots which are not ideal for the best and most delicate white varieties. Some parts in Napa, Sonoma and Mendocino are subject to frost; in other parts the weather gets quite hot at times, which can cause a lot of damage to the more delicate grapes in spite of the fact that it is an historical area for fine grapes with many excellent conditions.

We wanted to find an area which is ideal from a viticultural point of view, where climate, weather, soil and water conditions are most favorable. We looked into many areas. We even went into the Sierra foothills to see if that was a possibility. There may be other areas which are suitable, but after everything was checked out over a period of a couple of years, by ourselves as well as by the University, we all came back to the Salinas Valley, which is undoubtedly the most ideal in every respect, and where you even have a choice of climate within a 30-mile radius. The further north you are, the closer you are to the Monterey Bay, to Salinas, the cooler it is. As you go south in Salinas Valley it slowly gets a little warmer, which makes it possible to plant grapes according to their individual needs. In other words if you have a late-ripening grape, you would plant it a little further down in the valley, and if you have early-ripening grapes,

Meyer: you plant them in the northern part of the valley.

Teiser: Are you in more than one zone?

Meyer: Not really; it is all within the same zone. The finest grapes, whether here or in Europe, grow in a kind of border-line climatic condition. This is the case also in Salinas Valley. In a warmer climate like, let's say southern Italy or Spain, wines will never be as fragrant and aromatic as German wines from the cooler, more northerly regions. Again then, in the same area in Germany, you cannot grow any black grapes very well, which need a longer period of sunshine and warmer weather. This is the reason why there are hardly any red wines made in Germany from German grapes with the exception of some small areas.

All these varieties in climate that we need, we really have in this one area here in Monterey County, in addition to the very suitable soil and good water supply. That's the reason why this worked out so well and why this area is attracting a lot of other people. The new plantings are enormous in Salinas Valley today.

Teiser: You're down as far as Greenfield. I didn't realize that. That's warmer?

Meyer: It is warmer than Soledad. The distance between Soledad and Greenfield is about 15 miles--or San Lucas about 25 miles.

Teiser: I was just trying to remember earlier vineyards in that area.

Meyer: There's one very small vineyard called Chalone up in the hills between the Pinnacles National Monument and our Pinnacles Vineyard. There are quite a few mostly new vineyards as far south as San Luis Obispo and Santa Maria, which are 100 to 150 miles further. This area is close to the coast but considerably warmer.

Teiser: Which of the vineyards on this map (Locations of Paul Masson Vineyards] did you plant first?

Meyer: It's right at the edge of the town of Soledad. We call it the Pinnacles Vineyard because the Pinnacles National Monument is right above it. Metz Road, adjacent to the vineyard, is the road you take to

San Francisco

Oakland

Locations of
Paul Masson
Vineyards

San Jose

San Jose

Saratoga

Champagne
Cellars

Los Gatos

Gilroy

San Ysidro
Vineyard

Gilroy

Santa Cruz

Pacific
Ocean

Salinas

Monterey

Carmel

Soledad

Greenfield

King City

Pinnacles
Vineyard No. 1
& Pinnacles Cellar

Pinnacles
National
Monument

Soledad

Metz Rd.

Pinnacles
Vineyards No. 2
& No. 3

Greenfield

L. Flyge 1-70

- Meyer: the Pinnacles National Monument. There are two roads to the monument preserve--one comes from the west side and the other comes from the east from San Benito County where Almaden is, near Paicines. The two roads do not connect. There seems to be little interest on the part of the counties to encourage tourist traffic. If these roads would be connected one could drive from Soledad directly to Paicines through the Pinnacles National Monument.
- Teiser: You don't have any visitor facilities down there?
- Meyer: No. Our only visitor facility is in Saratoga, closer to populated areas.
- Teiser: Your first plantings you said were started in 1961. How long before you felt that you had enough results to know that they were successful?
- Meyer: I would say after the second year of growth we were decided, and then we started to expand, acquired more land for plantings of red grapes, Cabernets, Pinot noirs, Gamay Beaujolais, Merlot and other red varieties in the Greenfield area as well as white varieties in the Soledad area. We have a considerable number of varieties,* but, of course, the recognized ones are the larger part of the plantings, like the Johannisberg Riesling, the Pinot Chardonnay, and Pinot blanc. We have also some Gewürztraminer, which developed characteristics of a strength which I have never experienced before. As a matter of fact, Dr. [Maynard A.] Amerine tasted the first wine from these grapes and remarked that outside of Alsace in a good year, he has never tasted a Gewürztraminer with so much character, the particular character of that variety.

*The list of white grape varieties growing at the Paul Masson Pinnacles vineyard as of 1972 was: French Colombard, Pinot blanc, Chenin blanc, Sauvignon blanc, Emerald Riesling, Semillon, White Riesling, Gewürztraminer, Sylvaner, Pinot Chardonnay, and Flora. The red grapes were: "mixed varieties," Cabernet Sauvignon, Ruby Cabernet, Gamay Beaujolais, Pinot noir, Pinot St. George, Petite Sirah, Zinfandel, Malbec, Merlot and Souzao.

For an account of the 1966 celebration of the new wine district, see Appendix II.

Teiser: There were two factors that I wanted to ask about in these new plantings that might be of interest. One was, did you install sprinklers throughout?

Meyer: Yes. All the new vineyards have complete sprinkler systems (not portable pipes), all underground pipes with risers, which gives us an advantage, not only in labor but in better control of application of water. Even in one area you may have soil which is heavier and soil which is lighter, with different requirements for water.

Teiser: Was it a fairly new concept when you first used it?

Meyer: No. In vegetable growing in Salinas Valley many types of sprinkler systems have been used for many years. But in vineyards there was very little of it. And, of course, this was just about the time when significant technical improvements were made in sprinkler systems. Aluminum pipe, which eroded very badly, used to be the principal material, and now it has been replaced by plastic. Also, the sprinkler heads are much improved.

Teiser: The other factor I believe was that you planted the varieties on their own rootstocks?

Meyer: Yes, we have in most of our plantings. The reason for that is that we are in a virgin area for grapes. The types of crops which were planted there before created no problems with direct rootings. There is no danger of phylloxera, for 20 years at least.

Secondly, there really was not enough and still is not enough certified wild rootstock available which is free of virus diseases. You may protect yourself against phylloxera by using wild rootstock, but you're not protected against virus diseases unless you have certified stock. Therefore, we took the risk. A good, sound and vigorous direct rooting is just as good for production as a wild rootstock, or better.

Teiser: Are there any other advantages?

Meyer: I don't think there are advantages or disadvantages. The only purpose is protection against diseases.

Teiser: Does the vineyard come into bearing earlier?

Meyer: Yes, a little. You do not get the setback in growth which you get by grafting or budding. That makes a difference of between one half year and a year. If we have an area where there is any doubt about the condition of the soil, we do use wild rootstock. There are many other important things to be observed in new plantings, but I don't want to get technical here.

Teiser: Some of your land had been pasture land?

Meyer: Oh yes. Not all of the land had water; there is quite some dry farming and pasture in the area.

GROWING AND BUYING GRAPES

Teiser: This brings up the question: Should the winemaker grow all of his own grapes; should he grow none of his own grapes; or should he grow some of his own grapes?

Meyer: I don't think that it is necessary for a winery producing all types of wines--dry wines, red and white, champagne, appetizer, dessert wines, brandy--to grow all the grapes as long as grapes are grown and as long as they are obtainable in a free market. The reason why some premium wineries went into planting so heavily is the dramatic development of dry wine sales and the shortage of the top varietal wines like Cabernet, Pinot noir, Riesling and Pinot Chardonnay. These grapes are quite a risky investment for a man who is only in the business of growing and selling grapes, because the yields are very small and the market is limited. There is no other outlet for these grapes but a very few premium wineries. Most of them use small quantities and only two or three use these grapes in larger quantities. Because growers were reluctant to plant these varieties the premium wineries had no choice but to plant these grapes themselves. In order to balance out the grape-growing part of their activity, they also planted some other desirable wine-variety grapes to reduce their own risk to some degree. I

Meyer: see no need for a winery to invest large amounts of capital in vineyards for grapes which are obtainable on the market.

You have different market tendencies. You have, for instance, at this time in the premium wine business, a strong demand for red wines. It used to be that white wines were two thirds of the sales and red wines one third. Red wines are growing at a higher rate than white wines because of the popularity of wine with meals. This is a meat-eating country, and the "experts" say you have to have red wine with red meat--which I never ascribed to because I like white wine just as well. [Laughing] This results in a great demand for red grapes, which has driven the prices out of proportion during the last few years. But that will adjust itself again when the new plantings come into bearing.

Teiser: Have you made contracts with growers, as Gallo has?

Meyer: Yes, we have made contracts, but it's more limited on the coast than it is in the Central Valley. If you have a contract based on market price, you have to know that there will be a market price. Today's prices for black grapes are out of proportion to the production costs, and therefore it is more advantageous for us at this time to plant them rather than to contract for them.

Teiser: In a year when the market was just wild, could you just depend upon your own grapes, pull in your production to that point, and continue?

Meyer: I wish we could. But as much as people think the wine business is booming, it still is a very competitive business, and if you do not keep up your sources of supply and your inventories, you are not in a position to supply your customer with what he wants to buy, and, therefore, weaken your market position. The fact that we have been building, at Paul Masson, inventories always ahead of sales works to our benefit now. We have a very large inventory. Even so, we have had to pay very high prices for grapes last year and this year, and this may go on for another year or two. Of course, this is not very satisfactory from a profit point of view, but these are the business risks which you have to take.

Teiser: You mentioned yesterday the choice of going into a premium wine rather than a volume wine market. How was that decision made?

Meyer: I think I can explain that. Alfred Fromm was always in the premium wine business, as I was. We were never in the bulk wine or in the popular price wine business; we knew it better than the other part of the industry. In addition to that, when we started in California, 80% of the wine business was in low-priced appetizer and dessert wines and only 20% of sales was in table wines in all price classes. This was still the period when angelica, muscatel, sherry, port, white port, et cetera, were the bulk of the California wine business.

We were convinced that there was a place for premium table wines from California. As soon as the public would become more wine conscious and not look at wine as a substitute for distilled spirits, table wines were bound to follow. We were fully aware of the fact that it takes ten, fifteen years to really develop such a business, but we had a one-track mind. This was the only route we wanted to go. And when we saw that it finally did develop, we made the decision to plant our own vineyards, while before we depended on the open grape market to a large extent.

Recently the demand for grapes has almost outrun production. At the moment production of grapes has not caught up with this demand, but this is only a matter of time because large acreages of grapes are being planted, not only by wineries but by people who are entirely new to the industry and by outsiders who consider vineyards an attractive investment.

Teiser: Did you do market surveys, or did you just observe informally?

Meyer: We relied mostly on informal observations and statistics. I think if you go around the country and you are alert to what goes on and talk to the trade, to retailers and consumers, and look at your own statistics, such a trend is not too difficult to judge.

Teiser: At that time, the other wineries who would have been in the same field were Beaulieu, Louis Martini...

Meyer: Also Inglenook, Krug, Mondavi and Wente.

Teiser: All small then.

Meyer: We were all small. Of course, what is big and what is small is relative. When do you call a winery "big"? Once you get into a commercial operation beyond the "one man" type of business? There is one type of "small" winery which is different from a winery producing a full line of wine and establishing a brand with state or nation-wide distribution: the man with a few acres of vineyard producing a couple thousand gallons of wine and selling it locally.

All true premium wineries in California produce on the same principle, namely: selected North Coast fine wine variety grapes, skillful and sophisticated production methods, aging of all wines, particularly red wines, and even bottle aging. The difference in the size of the winery is of no importance. A Cabernet Sauvignon or Pinot Chardonnay grape grown on a 200-acre plot is not different from the same grape grown on a 20-acre plot. A cellar with 5000 oak barrels of aging red wine is just as good for its development as a cellar with 50 barrels of the same wine. And the same holds true through all stages of production. It is a peculiar thing, originating from conditions prevailing in Europe, that many consumers think a fine wine can only be made on a very small scale. Nothing could be further from the truth in California. Good grapes, qualified people, good facilities and the right policy are the decisive factors. Under present economic conditions, you can probably do a better job on a larger scale than if you are limited in size.

This applies also, of course, to the distribution. If you can have national distribution and a large enough volume, you get better qualified personnel and wholesalers. The important factor is that those who make the decision on what quality level their brand should be must stick to it, and volume must never be at the expense of quality. This is a matter of size of investment rather than size of operation. If you have enough vineyards with first-rate grape varieties, if you have the best possible facilities, if you carry large enough inventories and age them properly, as I said before, it makes no difference

Meyer: whether you make that Cabernet from 200 acres of Cabernet grapes or from 20 acres.

Teiser: That gets into romanticism, doesn't it?

Meyer: Yes. The same story that I told you about the plowing horses, that people can't really understand why we don't use them any more. But the strange thing is that even my children aren't thinking of the horse any more. It's the older generation that misses it.

Teiser: Can a small organization today survive or compete?

Meyer: Yes. It's possible but within certain limitations. A small organization can be very successful if it does not engage in activities which require organization and a lot of manpower. The mechanics of business today are, of course, such that a sufficient volume of business is necessary to carry the investment and the overhead. Even if somebody has a small supply of fine wine, it can still be marketed very successfully on a personal basis.

Teiser: Under his own label?

Meyer: Under his own label, just in certain channels. We have quite a few small wineries emerging like Heitz Wine Cellars, Hanzell Vineyards, Stony Hill Vineyard, Ficklin Vineyards, Hanns Kornell, Schramsberg Vineyards, Simi Winery, Freemark Abbey, Mayacamas and others. The Mirassou family is a good example. Of course, Edmund and Norbert Mirassou have a number of young sons to assist them in all phases of their operation. The days are not gone where a new business can be started in the wine industry.

Teiser: Could you distribute in New York from California if you had a small company?

Meyer: Not at a reasonable cost. First of all there is very strong competition from imports. A retailer, particularly a restaurateur, in New York wants to work on long mark-ups. They can buy imported wines cheaper than California wines, and can sell them higher. In California I think there is a much better chance for a small winery to get started.

NEW GRAPE VARIETIES AND NEW WINE TYPES

Teiser: When you made your new plantings in this area, did you at this same time plant some of the University of California's new varieties?

Meyer: Yes. We first planted Emerald Riesling in quite substantial quantities, and planted also some Flora, one of the newer white varieties. We have not planted, so far, any of the new red varieties which are at the stage of being developed. There are some promising varieties, but nothing has been finalized yet. Most of the work done at the moment is to get better varieties and rootstock for the warmer regions, for the San Joaquin Valley. So far the coast is very well taken care of with the traditional grape varieties.

Teiser: How did you happen to get interested in the Emerald Riesling?

Meyer: We experimented with this type of wine. The first Emerald Riesling was planted at what we call our San Ysidro Vineyard near Gilroy. We experimented with these grapes in the 'fifties, and for a few years really didn't succeed too well. It was always my objective to produce a wine in California which has the lightness and the fragrance of a Moselle wine because Moselle wines are really the most popular type of white wine in Europe. People who like a light wine (you know a lot of wine is consumed at lunch time) which doesn't have the heaviness and is not as bland as many white wines are, but also not too sweet. There were very few grape varieties from which such a wine could be made in California. The Rieslings, the Johannisberg Rieslings as they're called or White Rieslings, really didn't develop enough character. They're good, but they were not interesting enough.

This new crossing which the University called Emerald Riesling was very promising. When you ate the grapes you could detect what the possibilities were. But when we made wine from them in the traditional way, we ended up with something that was not satisfactory. But we did not give up. Finally we found out by experimentation what had to be done

Meyer: in vinification to obtain the freshness and the fragrance and the lightness we were aiming for. We finally succeeded. The wine needed also a little bit of blending with some other grape varieties to bring about the proper balance. When we finally came out with "Emerald Dry" it became very popular immediately and is still growing in popularity.

Teiser: That leads into the whole question of naming dry wines and creating them, I suppose. Your Emerald Dry is a creation actually.

Meyer: It bothered me always that a wine growing area as important as California, with so much promise for the future, borrowed the names for the wines from other countries. This is not the fault of the present-day winemakers. The early vintners in California were people who came from France and Germany and Italy and gave the wines the names which were familiar to them: Chablis or Rhine wine for dry white wines, or burgundy for a full-bodied red wine. There is one change: "sauternes" became "dry sauterne," which is unknown in France. Some names like claret disappeared. White Riesling--a name of a grape variety--was changed to Johannisberg Riesling, which is really gilding the lily, as it isn't even known as such in Germany.

This borrowed nomenclature bothered me, but it is not so easy to find good names, names which are appealing and which at the same time tell the consumer what type of wine it is. A fantasy name like Emerald Dry comes closest to being meaningful. "Rubion" is also filling this requirement because ruby is a color indicating it's a red wine, and it comes in a claret bottle.

Teiser: You introduced the Emerald Dry before the Rubion?

Meyer: Yes, but the first "proprietary" label we introduced was "Rhine Castle." Rhine Castle, as a type, is in character like one of the most talked about German wines, Liebfraumilch, and we certainly didn't want to use a word typical for its origin in Liebfraumilch. We did not even like to use "Rhine," but at that time we just weren't courageous enough to give it an entirely unknown name, and called it Rhine Castle.

Teiser: Was that by analogy to the "chateau" wines?

Meyer: "Chateau" has a French connotation as well as Haute Sauternes, and was known in California as a sweeter Bordeaux type white wine.

Teiser: What is the character of the Rhine Castle?

Meyer: Rhine Castle is more like a German Liebfraumilch, which has some degree of sweetness, while the Emerald Dry is like a Moselle and has that fragrance and freshness of a wine from that region.

Then, the next one was Rubion, which is a claret type of wine. The next one was to be a burgundy type. We had all kinds of good names which could not be protected. Most of the names we could think of had already been registered for some other products. Finally we thought of "Baroque," which is really quite good, because it is associated with music, and a romantic and elegant period; the richness of the name is equivalent to what the wine really is. It has worked out very well.

Teiser: Did you set about developing these as special wines, or...

Meyer: Yes, I think I know what you want to ask. We were not just trying to give a regular wine a different name, but had a clear objective, what the wine should taste like, as I explained to you in connection with Rhine Castle. The most important step was with Emerald Dry, a type of wine which was not in existence in California--a wine typical of a Moselle. We didn't come out with the Emerald Dry label before we had the right wine for it. For a red wine we also had definite ideas what it should taste like.

To test public reaction to our blends, we did not ask research institutes; we did it ourselves. As you know, we do a great deal of entertaining up at the Paul Masson chateau. We frequently have as many as 250 people as dinner guests. We present sometimes, with the dinner, experimental wines without telling the people what they are. They are labeled with a traditional label of that type of wine. We may have two or three wines on a table, under two or three different labels but of the same type. After

Meyer: the party we check which bottles are empty and which aren't. The test will indicate of which wine people poured that second glass or maybe the third and the fourth. A wine may be a good wine, a great wine, but if all people can drink is one glass, there is something not perfect. This is the case with many even very expensive red wines of old vintage and famous geographical background. They could either be too harsh or rough, or somehow not palatable or pleasant in character.

Red wines also have to have distinctive characteristics and at the same time be palatable, drinkable, without the sweetness. Young red wines in the lower-priced category often are sweet to overcome the harshness which is characteristic to young wines. There are also a lot of people who like wines sweet. But a premium wine should appeal to the more experienced wine drinkers who like wines dry but still want them to be smooth and elegant and easy to drink. This is the objective with each of our "proprietary" wines. This can be done by skillful blending. Many people think that if you use only one grape variety, then the wine has to be perfect. The contrary is true. It's the complexity in the taste of wines and the proper balance which can only be achieved by blending, and, of course, by aging (for which there is no substitute). This is what we tried to accomplish with both Rubion and Baroque, and I think that is why these wines, in a relatively short time, have become very popular.

I strongly believe, as I always did, that it is important to keep the loyalty of a consumer once he comes to like your product. There is a tendency in many industries to come out with a product with much fanfare, and then it kind of levels off, at which point they come out with another one, while the first one is being neglected and eventually disappears. I think in the fine wine business it is more important to make all your wines of superior quality to gain consumer following and confidence in the brand. That is really our policy.

Teiser: Do you see your consumers as people who consume your wines regularly every night, or on occasion, or both?

Meyer: I think in any consumer product on a higher price level, you have many people using the more expensive product occasionally rather than daily depending on their pocketbook. There is nothing wrong with that. People do a lot of entertaining at home today. People have guests to whom they like to offer the best wine they can afford, and on many other occasions they like to look for a better bottle of wine in their cellar. This, hopefully, will lead to people keeping a wine cellar, particularly to improve red wines by aging, while they buy popular priced wines for their daily use. By the way--there is nothing wrong with the leading brands of California's popular priced wines. But it is like with anything else: if you want something better, then you have to spend a little more money. Wine cellars are becoming popular, and this can only help consumption.

Teiser: Unless they put down the wrong ones.

Meyer: Well, this is the advantage of most of the reputable California wines, that they can rely on these brands. This is much better than to have a wine which may be a great wine one year and a poor one in other years. This is inevitable with many imports.

Teiser: I know there is a tendency, even among some premium winemakers, to shorten aging time in certain wines.

Meyer: Not in general. More inventories are being built by many premium wine producers. We constantly expand our storage facilities. This year we added two and a half million gallons of redwood tanks and oak barrels, and we will continue to add aging facilities as sales grow. We purchase the redwood two years ahead of time. And we age a great deal of red wine in small 50 gallon oak barrels. That becomes, of course, a matter of sizable capital investments.

Teiser: The maintenance of cooperage is expensive, isn't it?

Meyer: Not so much the maintenance as the acquisition. The redwood tanks, if you build them new--we're not using old ones--last for a long time if they're properly maintained. Sure, they have to be cleaned and even that is quite mechanized today; not too much crawling inside anymore.

PAUL MASSON ORGANIZATION, DISTRIBUTION AND SALES

Teiser: Your relationship with Seagrams--it changed somewhat over the years, did it not?

Meyer: As of January 1971 the distribution of Paul Masson wines is in the hands of a Seagrams subsidiary, Browne Vintners Company, which also distributes imported wines. In other words the Paul Masson sales organization was absorbed by a Seagrams wine sales organization which also distributes imported wines.

Teiser: So the winery continues to be owned by Seagrams, plus some individuals?

Meyer: Yes, but Seagrams will eventually own all of Paul Masson shares.

Teiser: Is it unusual for a winery--I'm just trying to think back in my knowledge of California wineries--to be owned partly by a national corporation and partly by individuals who are involved?

Meyer: Well, temporarily I would say. If a large company, particularly of the size of the ones that are involved, has the majority stockholding, they will eventually end up with total ownership. It's a matter of internal organization, because as long as there are minority stockholders, it has to be organized as a separate business in order to determine profits and losses. Once the majority stockholder wants to incorporate the company into their own organization, then there is no point for the minority stockholders to retain shares, unless on the basis of special agreements. This is not typical for the wine industry. It is something that goes on all through our economy today, that you have mergers and combinations and take-overs by large companies.

Teiser: The national companies have had such a curious history here in the California wine industry.

Meyer: It happened during the war and went sour. After the war some companies went out of the wine business again. You know that Italian Swiss Colony was then sold to Louis Petri, and then he started United

Meyer: Vintners and Allied Grape Growers, and then only a couple of years ago Heublein took over United Vintners. National Distillers, who previously had sold Italian Swiss Colony, came back and bought Almaden. So we have different times and different situations. Roma and Cresta Blanca, as you know, were bought by Schenley, who kept them for a number of years and sold them recently to Guild.

Teiser: So that came back into a local cooperative. Very curious patterns.

You mentioned the distribution system of your organization is now different. As you grew, as you built up the plantings and inventories, did you also build your own distribution organization?

Meyer: Oh yes. We had our own distribution organization, selling only Paul Masson products. We grew very steadily.

Teiser: Did you early envision your market as beyond California?

Meyer: Oh yes. We went to New York in the early 'fifties. This was still at the time when Paul Masson was part of Fromm and Sichel, who already had a sales organization for Christian Brothers in New York. But later on, after the separation of Paul Masson from Fromm and Sichel, we started a national sales organization of our own.*

Teiser: Dr. Amerine suggested that I ask you about your sensitivity to public relations. One minor aspect was your development of small bottles.

Meyer: Oh yes, we have the heart-shaped bottles for sherries and ports that we called "rarities"; we have miniatures of those. That was a relatively minor thing. It's a kind of a sample bottle which the stores have for people who want to taste a relatively high priced product. But a lot of people collect these miniature bottles.

Teiser: You've had many special mold bottles haven't you?

*See also pages 14 and 37.

Meyer: Well, not too many. In addition to the heart-shaped bottle, we have a special mold bottle for crackling rosé, which is a special product. Up to now crackling rosé had to be bottle fermented. The law is about to be changed to allow bulk process also. We have had crackling rosé on the market for quite a number of years, and it has developed into quite a sizable item. But we have to pay the champagne tax on it so it's not a low priced product.

Teiser: Yours is the only domestic one?

Meyer: We developed it as a special item to compete with a similar imported product.

Teiser: Will the change in regulations bring you some competitors?

Meyer: Yes, but we developed a market. Competition is not necessarily a disadvantage. If more crackling rosés come on the market it may even stimulate the sales, and it's up to each brand to get their share. So I see no particular disadvantage in it. We have competition in everything we do.

Teiser: The present cold duck situation--this is something that boggles my mind.

Meyer: I really am as puzzled as you are. It developed in the Midwest with somebody who made a sparkling wine combination of white and red and called it "cold duck." Obviously somebody who is familiar with the German language, or of German background, and knew "kalte Ente," which really means something entirely different in Germany. In Germany it means that at the end of a party whatever wine or champagne was left was put in a bowl with some ice and was called kalte Ente. This Midwest man had the idea of calling it cold duck. It caught on immediately. Our sales people insisted: We just have to have cold duck! With some reservations we agreed to try it out in one area. We made a good product. We sell it at the same price as our champagne, at \$5 a bottle, and it caught on immediately. We then introduced it nationally, and it became one of the biggest sparkling wine items of the company.

Teiser: Certain kinds of people here used to like sparkling burgundy, not necessarily champagne drinkers.

Meyer: We always had sparkling burgundy. It was a small item. Since a similar product is called Very Cold Duck, it sells much better.

Teiser: You call yours "Very Cold Duck"?

Meyer: Of course we do. We had to go beyond "cold duck." It almost looks like it isn't a fad because it has been growing for a number of years and therefore I'm inclined to think it's here to stay, although at one point it will level off.

ADVERTISING AND PUBLIC RELATIONS

Teiser: Well, this then goes on from your marketing program to your advertising program, and I think that perhaps your public relations are what Dr. Amerine had in mind.

Meyer: Well, when we really got into advertising, a man appeared on the scene in San Francisco; that was Howard Gossage. You probably heard of him. He passed away several years ago. He was a highly imaginative man, a rebel in the advertising trade. And we were really too small to have the kind of advertising distillers or the large-volume wineries could afford. On the national advertising scene, people are just overwhelmed with campaigns in the millions of dollars. And, therefore, we had to do something which would have a special appeal to people who are important to us. We decided with Howard Gossage that we would just do a brand-building type of advertising; not just pick certain type of wines or jingles or any gimmicks but just tell the public in a humorous but dignified way what Paul Masson is, the sophistication that is behind its products. This was Gossage's special talent. He had a fabulous sense of humor. Even today, 15 or 20 years later, his copy makes good reading. You could go through those ads and be quite entertained, amused and delighted.

We were told, "Well, that won't sell anything." This may appear to be so in the sense of hard-hitting advertising, or if, as an example, Macy's has a special

Meyer: on a certain icebox for \$199.95 and wants people to come in and get it. But it made the name Paul Masson known to the wine-minded public and made it known in a special way.

Then when Howard Gossage died, a very fine large advertising agency took over, Doyle Dane Bernbach. They are known for their Volkswagon advertising, and they are the ones who did the famous Avis-Hertz campaign (We try harder, we are only number two.). They are very talented people, but much more hard-hitting. And our advertising took on a little different direction. In the meantime, we had grown, so there was good reason to change the tone a little bit. What intrigued them was our success in exporting our California wines, and that we could succeed in the old traditional wine-consuming countries of Europe with a product which was completely unknown. Their first campaign was built around that story. They started also to advertise single items like Emerald Dry, to bring out the uniqueness of that product.

Our main effort was in the area of public relations, to associate the winery with cultural activities, Music at the Vineyards and other events.

Teiser: When was the series of concerts you call Music at the Vineyards started?

Meyer: It was started 14 years ago [in 1957], and has been very successful and has gained national and local recognition as an important summer festival type of musical event. First of all, the idea behind it is that we only engage first-rate performers and musicians. We engage, for example, the top members of the San Francisco symphony. Or prominent guest artists from all over the country. The selection of the program is always of special interest to knowledgeable music people rather than the usual box office type, because we do not have to worry about box office because we sell out every time. The seating capacity is about a thousand. Performances are on Saturday and Sunday, three weekends each season, usually the end of June, end of July, and end of August each year. Music at the Vineyards has

Meyer: been so very successful because of the selection of the programs, outstanding performances by first-rate professionals, and the unique setting at the "Vineyard in the Sky." Music critics from all over the country have taken an interest in Music at the Vineyards and have given the performances outstanding reviews.

Teiser: Have you often commissioned compositions?

Meyer: Starting in 1970 with the work of Richard J. Felciano, which was commissioned by the late Norman Fromm, the man responsible for the development of Music at the Vineyards. We continued this policy in 1971 with a commission for Heuwell Tircuit, for David Del Tredici in 1972, and for Andrew W. Imbrie in 1973. All these men are contemporary composers well recognized but rarely performed in concert halls. This gives us an opportunity to support composers during their creative years. The surroundings and the outdoor setting lend themselves very well to the performance of contemporary music.

In 1967 at the tenth anniversary of Music at the Vineyards the California Legislature passed a resolution commending us for this contribution to the cultural life of the San Francisco Bay Area.

In 1969 we received the coveted "Business in the Arts Award" from the Business Committee for the Arts in New York. One award is given yearly to an organization which has made significant contributions to the arts and we were particularly flattered by this recognition because only very large companies had received this honor in the past.

In addition to Music at the Vineyards we have two opera performances by the San Francisco Opera Company under the Merola Program. Every year the Opera Company conducts auditions for singers who have won local auditions in the Western and Southwestern states including Hawaii, and recently including New York City for singers from California. The winners of the final auditions are offered a training program and the culmination of this is the performance of an opera at the Paul Masson Vineyards. At the same time awards for further studies are given.

Meyer: Both the Merola Program and Music at the Vineyards have given singers their original start. Many of them have received engagements here and abroad.

Teiser: All of you who have been involved in this organization have been interested in music yourselves, haven't you?

Meyer: This is correct. We enjoy opera and symphony music. I am a director and vice president of the San Francisco Spring Opera Theater and am also on the board of the Merola Memorial Fund.

Teiser: I shouldn't ask if you have any other general public relations activities because this is so great, but...

Meyer: We are entertaining many groups and prominent people at the winery, and also make the facilities available to worthwhile groups for their fund-raising activities.

Teiser: I know you sponsor tastings because at the national Oral History Association meeting in 1970 I first tasted your Baroque.

Meyer: This is just one good example of this activity. Then, of course, we have regular tours through the champagne cellars, concluding with the tasting at the tasting hall there. We have quite a number of trained guides and hosts conducting these.

Teiser: You mentioned the murals there.

Meyer: The first impression a visitor has entering the champagne cellars is the contemporary style of the reception building. In order to relate to the old history of wine we had a mural designed all along the ramp leading into the cellars. The artist was the late Jose Moya del Pino, who was once a painter at the court of Spain, and lived in Marin County. The mural starts with Noah and goes all through the Biblical times and the Middle Ages; the planting of grapes in California; Dom Perignon, the inventor of champagne; Paul Masson, one of the first men who produced champagne in California; and the use of champagne for weddings and christenings. By the time you are at the level of the ramp, you have learned a great deal of wine history.

Meyer: And then you come to the reception area where we now have a valuable collection of wine-related objects starting with Luristan bronzes, 900 B.C., and all kinds of very interesting pieces which today are difficult to find. They are displayed in the waiting room. There is also a color slide projection of the vineyards, grape crushing, and historical scenes. The guides take you through the winery on an elevated walkway so you can see the operations without walking through the rows of barrels and tanks. At the end of the tour the visitors find themselves in the tasting hall and are offered a taste of any wine they are interested in.

Teiser: Who was the architect for the building?

Meyer: John Bolles of San Francisco, California. We didn't want to copy 19th or 18th century structures and we didn't want to have a cold, purely modern building. In discussing this problem with the architect, he came up with a design for the winery itself to have a series of round roofs which look cave-like, and a reception building and tasting hall in front with a rotunda containing a ramp, a pool and a fountain to symbolize the effervescence of champagne. This combination of styles leaves the impression of a solid, even traditional structure combined with all the flair the product has in the eyes of the consumer. That was the idea behind the design of the building.

Teiser: It was designed with the idea of having visitors involved?

Meyer: Yes, it was. Practically all phases of the operation can be seen and the guides explain the wine and champagne making processes and answer questions. The tasting at the end of the tour is, of course, of great interest to the visitors.

Teiser: Yesterday we were at the Christian Brothers at Mont La Salle, and we went on one of their regular winery tours. Almost all the people were from out of state. I asked a woman from Washington, D.C. how she learned of it, up at the end of that road, and she said, "Oh, we had some literature about it."

Meyer: Yes, I think this operation is also important. If

Meyer: people are curious enough to come and see a winery and go through, this is an indication that it is a worthwhile thing to do. Sometimes you hear a remark, "Well, only free-loaders come." I don't think that's true. Maybe a few, but this is insignificant.

Last year we had almost 200,000 visitors at our champagne cellars, although it is certainly off the highway. Napa Valley is much more of a tourist track than Saratoga is. And we don't promote it more than just having one billboard on [highway] 101 going south from San Francisco, and one near Saratoga. We have a little pamphlet which is distributed by some travel agents and a few people who promote bus tours, but the main interest is on the part of the public without special promotion.

Teiser: The Wine Institute has put out tour books and there are the Sunset book, and others. Do you believe that those are helpful?

Meyer: Oh yes, I'm sure that people who are interested in seeing a winery will find it helpful.

Teiser: I mean do you think that's helpful to the industry?

Meyer: Yes, I think it's helpful to the industry but taking care of visitors is a costly thing for the wineries, unless combined with retail sales.

Teiser: The wine museum that is being planned here in San Francisco, will that just be Christian Brothers?

Meyer: Yes, this is a different collection from ours. Both Fromm and Sichel and the Christian Brothers have good collections, particularly the Fromm and Sichel wine glass collection is most magnificent and very valuable. Franz Sichel really spent many years collecting it. It was shown here at the [California Palace of the] Legion of Honor. Ours is a much smaller collection which I started about 20 years ago, and which is not just confined to glass. It has all kinds of wine related objects, Etruscan, and pokals of silver for ceremonial uses, and old glasses, quite a few Roman and even some Syrian glasses. So it is a great variety of things but not too many of each kind. It is a very

Meyer: interesting addition to the winery tour, not too big to allow enough time for people to see all there is to see.

Teiser: I should think a wine museum here in the city in the Ghirardelli Square area would have good results for the whole industry.

Meyer: It will be a reality soon, at the corner of Beach and Hyde Streets. You have these things [elsewhere]. In Lisbon, in Bonn, Turin, several in France. This is just a sign that this industry is growing up in California and engaging in these activities which are new to this country. The Fromm and Sichel exhibit has been in the making for many years, and a large amount of money is being spent to create the most attractive building for this important exhibit in this spot, which is a tourist location, while ours is at the winery for our visitors waiting to make the tour.

(Interview #3 - August 13, 1971)

PUBLIC TASTE IN PREMIUM WINES

Teiser: There are some wines that you have--I don't know if you were interested in them as such or you felt it advantageous for your sales effort to have a full line. Your sherries, port.

Meyer: Well, Paul Masson, basically, is a champagne and dry wine producer, but for marketing reasons it was necessary to have a complete line. There is an opportunity to produce sherries and ports on a very high quality level, particularly to age them for long periods of time. Because there was a need for such high quality appetizer and dessert wines, that was the main reason why we did it. Aside from unique and selective production processes, we age these wines over extended periods. All this well justifies a higher price level. As a matter of fact, it has proven to be a very steady business. While the appetizer and dessert wine consumption in general has gone down in relation to total wine consumption, in our case sales show a steady increase. Consumers of a high-quality sherry or port are buying these products because they like them for their own qualities.

In the early period of the California wine industry after repeal of Prohibition, the appetizer and dessert wines--the sherry, port, muscatel and angelica--were mainly purchased as a low-priced alcoholic beverage, and you know the history of that. This passed, of course, with greater affluence. Today people who want an alcoholic beverage buy distilled spirits, and will not buy wine as a substitute. The wine industry was imaginative enough to develop other fortified wines with added flavors. This has become

Meyer: a new field and has made up the volume for the decline of the standard fortified wines.

There are only a few wineries in this business of premium dessert wines, and their sales have not declined.

Teiser: I see. We often talk with people who say, "Public taste is becoming more sophisticated, so people drink more dry wines instead of..."

Meyer: Well I would say this is correct too. It has become more sophisticated because many people who were drinking fortified wines with their meals have graduated to drinking table wines, light table wines, with their meals but use appetizer and dessert wines as cocktails and after-dinner drinks instead of distilled spirits.

Teiser: Do you yourself see in the future any possibility for premium flavored wines?

Meyer: Well, there are products like that, like Dubonnet. There are such specialty items widely used in France, like San Rafael and Byrrh, as well as vermouth. In this country this type of wine has become popular in the lower price category. Very few have been developed on the high or premium price level, but as we become a wine drinking nation, we will have more expensive aperitif wines.

Teiser: We don't have a premium vermouth, do we?

Meyer: No, but this is mainly a marketing problem; there is no reason why there shouldn't be some. Such firmly established international brands as Martini and Rossi, and Cinzano dominate the higher priced market. That doesn't mean that we will eventually not be able to have either a premium vermouth or other premium specialty wines. This is something which can be expected to happen; it's just a matter of somebody doing it. There is no great problem to produce such a wine. Actually we experimentally made wines of that kind, but the problem is strictly a matter of economics. This market is still a limited one, and the cost of introduction is high.

Teiser: This brings to my mind--and I'm taking you to subjects

Teiser: that I hadn't intended to, but since you speak so knowledgeably of them... When a winery is controlled by a large company that also deals in other alcoholic beverages, is there a fight for the advertising dollar? Is there a conflict if you want to introduce a product that might bring Americans over to an appetizer wine before dinner instead of a whiskey and soda or something?

Meyer: Absolutely not. If these people make an investment in a wine company, they are not doing it with the intention of handicapping their development. They take the position: if we are not doing it, somebody else will do it. On the contrary, we are encouraged by the people in New York to expand and to invest as much money for the development of new products as we can afford. If there is a trend towards apéritif wines, it would not be wise for any company to fight it instead of developing such a product for themselves. Therefore there is no handicap at all.

You have seen similar situations in other industries. Take as an example General Motors. They have many competing items, but they leave each division alone to compete against their sister companies the same as they would compete against somebody else. How else can you do it? Even if the people at the head wanted to exercise certain restraints, it is impossible to control sales efforts down the line because the salesman on the street will always do his best to sell his product and really doesn't care if the competitor is affiliated with his company or not. Company sales policy will, of course, avoid promotions which are directly aimed at other company products, but otherwise everybody is out on his own.

Teiser: Seagrams distributes Dubonnet, for instance, does it?

Meyer: No, Schenley has Dubonnet. Seagrams has no such apéritif wine. In the Browne Vintners Division, which now also distributes Paul Masson, they have Mumm Champagne; B&G wines from France; Brollo and Ricasoli wine from Italy; and Kayser wines from Germany. They're adding new imports all the time.

WORLD MARKETS

Telser: In your personal activities in the wine industry you have taken the position that there was no rivalry between American wines and European wines...

Meyer: There is, of course rivalry, but I've always been of the opinion wine movements should be a two-way street. If you want to create interest in wine, it should not be a fight by California against imports, or by importers knocking California wines. I feel that close contact with European wineries and making them understand that we are, just as they are, more interested in building a larger consumer market in this country is better than calling one wine inferior to another. This would only make consumers suspicious of any wine they buy. There are some people coming from abroad that say something unkind. Here and there some narrow-minded men say, "Yes, California wines are 'honest' wines, but..."

There will always be some remarks of this kind. What is important, however, is the need to break down the trade barriers against our wines, particularly in Europe, and better controls by foreign countries to stop misleading and false labeling of wines exported to the United States. Imports of high quality and labeled correctly are fair competition and have their place in this market. Inferior wines with labels showing high grade grape varietal names or old vintage dates which are not true to fact are unfair competition. We pay very high prices for top grape varieties and we have strict vintage date controls in this country and, therefore, cannot compete with cheap imported wines which do not deserve these designations.

Up to now, we could say that for between two and three dollars a bottle, the California premium wineries really offered a better wine on the average to the consumer for this money, because these finer wines in Europe are also scarce and high in price. But now because of the very high cost of grapes we are moving to a price level where we may find ourselves in a less favorable competitive situation.

Teiser: There is one factor that I've heard mentioned about imports and American wines, and that is bottle size. The imports can come in odd sizes and smaller quantities in bottles that look to be the same as standard American ones.

Meyer: I think this is a just complaint but not significant enough to be made into a major international trade issue. Furthermore, few consumers pay attention to whether there are 24 ounces or 25 ounces or 26 ounces in a bottle. In addition, we will have great difficulties in convincing the French, the Germans, the Italians and our own importers to agree to adopt American bottle standards. Eventually we'll probably have metric standards world-wide. It's an old subject for many people in the wine industry who justly feel that that is not right and that a fifth is not the same fifth for all people.

Teiser: Do you really see metric standards coming here?

Meyer: The whole world is converting to it, and over the next ten years I'm pretty sure we will. It's a big job. I'm not an expert in that field, but it's not quite logical to me to continue to have complicated computations when there is a decimal system.

Teiser: Did you take Paul Masson into the export field ahead of other wineries?

Meyer: Yes, I think we did that. For two reasons. I always wanted to try it because I was so convinced that as soon as we had reached a quality level for our wines we could successfully compete with French and German wines in Europe. I felt that this would be a great asset to the reputation of California wines in this country. If traditional wine-drinking countries import our wines, it should mean something to the Americans who so lightly downgrade our wines just because they are not imported.

Looking for possible export markets, I discussed this with a good friend who was a prominent exporter with a successful international organization. They started to do some business in the Orient. I went on a trip to Japan and to Hong Kong and met the manager of their Far Eastern office in Tokyo who became very much interested in wine. The company

Meyer: changed hands, my friend passed away and his Far Eastern manager wanted to change also. We engaged him as our export manager. He built up a very respectable business in the Orient, and then we started to look around in Europe.

Teiser: You mean you were selling in Japan?

Meyer: Yes. Japan at that time had very strict import restrictions and still has a very high tariff. Our sales in the Orient expanded to Hong Kong, the Philippines, New Zealand, Australia, Korea and other countries.

And then, of course, we turned to Europe, where the big wine consumption is. We started in Switzerland. We found a man there, a wine importer, who really took an interest in our wines. And then the next country was England. Today we are also in Germany. It's not easy because of the many restrictions, really trade barriers. There's a quota system. The Common Market countries have preferential agreements amongst themselves of course. There are many labeling restrictions; we cannot use any of the generic wine names which have a geographical significance in Europe. We are at a disadvantage in the countries which have preferential duties for wine imported in bulk and bottled in that country. We ship in the bottle, and therefore in some countries like England we are on a much higher price level really than we should be, and, therefore, sales are not as large as we would like to see. It could of course be remedied by shipping in bulk, but that has other disadvantages. So it is significant in that respect, that it is developing and growing and that our wines are accepted and very much praised by Europeans, which I think has done a great deal of good in this country amongst the people I mentioned before who are so likely to downgrade our quality in comparison to European wine.

Teiser: Do you see it as a growing market, as a market which is also beneficial financially?

Meyer: Yes, it certainly is. We try to use as much as possible our proprietary labels, like Emerald Dry, Rubion, Baroque, because they are unique names for wines and are not copies of European names. They are distinctly California wines.

Teiser: What of the California wine industry in relation to the eastern United States wine industry? Do you see it as competitive?

Meyer: Oh yes, particularly in New York. The competitors of significance in the premium wine field are Taylor and Great Western, and they are very successful. They are by far the largest premium champagne producers in the country. They did something which one can only respect and, that is they have educated their consumers to the taste characteristics of their products. The Concord character of their products is accepted by the people who for many years have been exposed to it. Of course, it is not accepted as easily by people who are used to the characteristics of the traditional European wines. So, their business will have certain limitations, but they certainly have created a very profitable market for themselves.

Teiser: I've heard California wine men quoted as saying that the best champagne in the United States is made in New York State.

Meyer: I don't think that's true. It's a champagne which has a distinctive flavor. There are many people who like products with a distinctive flavor. Let's put it this way: many people like sweetness in a product. Now if sweetness is the dominating thing without being balanced by a strong flavor, then it is objectionable like anything that tastes too sweet. Concord needs sweetness; a dry Concord tastes awful. But Concord with sweetness, similar to Welsh's grape juice, is a widely accepted taste.

Teiser: Do they export any New York champagne?

Meyer: No, there would hardly be a foreign market for it. We had a very interesting experience at some wine tastings in various embassies in Europe, where the Eastern brands participated. The rejection was vehement. Of course, the people in Europe are used to the traditional vinifera type grapes. As a matter of fact, it has even created an obstacle for us, particularly in Switzerland. Many Swiss travel to New York and buy a bottle of American wine in a restaurant and very often get a New York State wine. They think that's the way American wines taste. So we run into a great deal of rejection of American

Meyer: wines because they are identified as New York State wines. We had to do a great deal to overcome that.

Teiser: You speak of the tastings in the embassies. Is that a good way to judge something of the markets?

Meyer: Well, it is a way to get the people to taste whom you want to buy your wine. If they get an invitation by an ambassador to a wine-tasting and a buffet dinner afterwards, you will have people coming who would otherwise be hard to reach. And we have gained quite a few importers in this manner. They came and liked the wine and we could sit down and talk with them then. Of course, you have to realize that for anything that doesn't have a market yet, very few people are interested. They do not like to be pioneers and spend their time and money on something less profitable than what they already have to sell.

Teiser: You gave us an article on the E awards, so I think we'll perhaps just put that in the interview* if we may, but would you just mention it?

Meyer: Yes. All administrations since President Eisenhower felt that there were not enough people and industries in this country interested in building export markets. Exports were left to a few large companies like the aircraft industry, but there are many industries which could succeed in finding foreign markets for their products if they would make an effort to do so. As long as business was going strong here, you found a tendency, of course, by many people, not to bother about a small export market if they could sell anything they wanted to sell much easier in this market. Our effort to export American wines was recognized as an excellent example by an industry which has strong competition abroad to prove that it could be done. And when we succeeded and the State Department got reports back through the embassies that American wines are suddenly being heard about, we were suggested as a recipient for the E award.

Teiser: I wonder if part of the success of your wines in the European market was the knowledge that you have of

*See Appendix III.



Otto E. Meyer, left, President of Paul Masson Vineyards, receives a coveted "E" Star Award from Harold P. Scott Assistant Secretary of the United States Department of Commerce, at a meeting of the Western International Trade Group, November 10, 1965. Paul Masson Vineyards was the first winery in the United States to receive the Presidential "E" Flag for excellence in developing wine exports. An "E" Star Award is given for special export development; Paul Masson is the only winery to be given this additional award.



Entrance to Paul Masson Cellars, Saratoga

Teiser: Europe and that perhaps Europe has of you.

Meyer: Well, those things play some role. I knew the markets pretty well, and I have the advantage of knowing quite a few people to whom I could say, "My friend, I know this is not a big thing for you, but do me a favor and try it." And this has something to do with it because you cannot build sales at a reasonable cost if you don't have somebody there of some prominence to get behind it.

Teiser: I often think how many valuable men America gained when they left Germany because of the Nazi regime.

Meyer: People who were successful over there, either in the field of science or business or whatever it may be, would never have left the country if it hadn't been for these compelling political reasons. And if you have successful people coming to this country at an age where they still can adjust, they are very likely to be successful here too. I think that is quite logical.

Teiser: Is there any reason to think that the United States would ever import wines for blending?

Meyer: Possibly, but not likely.

Teiser: Under what circumstances?

Meyer: Only price. I would say if the competition from imports gets rough and if grape prices here should not adjust to it.

Teiser: Is it possible legally today to blend an American and a European wine in the same bottle?

Meyer: You could not call it California wine, but it could be done. It's most likely not to be a blend though. But there is a lot of raw material which theoretically could be imported. It's common practice in European countries. Germany, for instance, imports all base wines for dessert wines and all base wines for vermouth and all base wines for brandy and most of its wine for champagne. They are all imported as raw material and then processed in Germany. Theoretically a thing like that could happen here too. There are tankers around the world that could carry wine very cheaply.

- Meyer: I hope it will never come to it, but if we price ourselves out of competition, theoretically it could happen. But it's less likely that California wineries or wineries of the east coast will use foreign raw material. The competition will be in the market by imported wines. There is no reason why these cheap foreign wines would not be sold as "imported wine," without being blended with American wines.
- Teiser: Are there possibilities that wine from grapes grown in other parts of the United States than California--the Northwest I understand is now experimenting--would be used as raw material?
- Meyer: Yes, but under present laws we cannot use in California any wine or grapes grown in other states and call it California wine; it could be called American.
- Teiser: Are there quality factors that might play a part in this?
- Meyer: I don't think there's great advantage in planting grapes outside of California. You really have the best climatic conditions right here. There is some possibility. I think there may be some competition in varieties like Cabernet Sauvignon, which are planted in the state of Washington now and could be produced cheaper there than here. These wines made in Washington or Oregon could be marketed as such. I could see some minor competition there, but that is about ten years away. Nothing has been planted in large quantities there; it's experimental at this stage.
- Teiser: California exports to the East some wines for blending, doesn't it?
- Meyer: Yes. Well, a lot of California wine goes east for bottling, as well as to New York State and other areas for blending with their own.
- Teiser: Did I understand you to indicate that the European Common Market might be a problem for California exports?
- Meyer: Yes. The Common Market has a machinery to protect their markets without losing their advantages for

Meyer: their exports. Right now they are subsidizing even processed agricultural products other than wines without having to fear much of a retaliatory move. This is something which could be of great concern to California agriculture. Agriculture in Europe is subsidized heavily. Prices are kept high. And therefore it's not a free market in that sense, that we could export anything we want to because with that we would put them out of business in the agricultural field. But these are the international trade problems which have to be solved. The problems are fully recognized by our government, and efforts will be made to improve our position. Where the wine is concerned, we keep an eye on it to be sure that our interests are safeguarded. That's why I have taken quite an interest in the preparations for the 1973 trade negotiations.

Teiser: You're a member also of the San Francisco Chamber of Commerce...

Meyer: Well, I was a director of the Chamber of Commerce for a three year term, which ended last January. I am the Chairman of the U.S. Department of Commerce Regional Export Expansion Council here, and I am a member of the National Export Expansion Council, which meets regularly with cabinet members and other policy-making people of the departments as well as the White House.

Teiser: You've also been on, I believe, the University of California Extension Advisory Council.

Meyer: Yes. We had some meetings of University men with people who are active in business to exchange ideas and for the University to learn about the needs of the business community.

PROMOTING CALIFORNIA WINES

Teiser: In your work with both the Wine Advisory Board and the Wine Institute, what interested you especially about them?

Meyer: Aside from the continuous problems to improve on the laws and regulations governing the production and distribution of wine, which are still too restrictive in this country, I was always interested in building a better image for California wines. The development of the Wine Institute - Wine Advisory Board public relations program, and also the program to convince the medical profession to speak favorably about the health values of wine rather than to think of wine as an alcoholic beverage, were important steps towards achieving today's favorable public attitude towards wine. This did, of course, not come easily and quite a number of people contributed in these efforts.

I was amongst a small group many years ago to start this public relations activity, rather than putting the emphasis on advertising. The late John Daniel was one of the prime movers in this. We started a premium wine public relations program, which first was kind of smiled at or tolerated by the rest of the industry. At that time sweet wines were the dominating factor still, while the premium producers from Napa, Sonoma and Santa Clara represented a very small sector of the industry. Lou Gomberg was the one who had the job of coordinating these things with Wine Institute and W.A.B. We engaged a public relations agency to promote premium wines only and to tell the public that in California there exist the same conditions as in any other country that produces premium wines. The promotion was extremely successful. For the first time wine writers from all over the country, and others who write magazine articles and columns, began to notice us and to say something nice about California wines.

Then it became so successful that fears developed that we could give the impression that there are good California wines and bad California wines. This resulted in some opposition to the program by some members of the industry. Now, of

Meyer: course, there was never any intention to downgrade anybody's product, but to put our best foot forward for the benefit of all. As a matter of fact, one of the basic policies was that there is no bad California wine and that there is no bad vintage in California-- but admitting that there are differences which are in the nature of the grapes and whatever makes wines of different levels everywhere.

Nevertheless, the industry by vote of the majority decided that the public relations program should cover the industry as a whole.

As time went on, I don't think that the industry members got the impression that premium wines had the greatest benefit from it. Even if this were the case, it would not hurt anybody. The overall effect was that California table wines as such became recognized as amongst the finest in the world. There has been a dramatic upsurge in acceptance of California dry wines in all price categories. Lately the rate of growth of the premium wines has not been greater than the growth of the less expensive wines. This was foreseeable, and the fears of members of the industry that this whole approach would be to the advantage of the premium wineries proved to be unfounded.

Teiser: Speaking of this same campaign, one of the other premium winemakers said it was kind of embarrassing to them; all of a sudden they were glamorized.

Meyer: Well, publicity is a necessary part of marketing today. Even politicians have discovered that they need Madison Avenue. Not that this is all good, but [laughing] in the case of wine it fills the need of a public anxious to learn more about it. I think in our efforts to interest more people in wine to eradicate the old terrible stigmas of the "wino" and other negative aspects, we should continue to present wine on the highest possible levels, to associate wine with the arts, old cultures and even the Bible, as it has been for centuries. There's hardly an opera where wine doesn't play some part. I think this image is important. And, as you know, we are quite heavily engaged in this kind of activity at Paul Masson. You cannot say you get a certain result from an activity of that kind, but

Meyer: the association creates an impression in the minds of people which is on a level you want. That is, it's an elegant thing to serve wine with a meal or to use champagne for a festive occasion. This, I think, is more important than hard-hitting advertising. You have to have the public in a receptive mood if you want to create any impression.

That is something which in European countries has grown over many generations in many ways, even without the help of radio or television. If we want to create the same habit of wine usage in this country, we have to present the product in the most favorable light. I think more people should sponsor artistic activities which can be related to wine.

Teiser: I can think of a volume wine producer who takes great pride in his office building and opens it to community events.

Meyer: This is a fine example, and, of course, there are activities which should have an effect beyond the local community. Of course, you have to start locally in order to get it recognized nationally. That is the reason why for our music at the vineyard, we always engage nationally known artists and have programs and commission new works which create interest among the national critics and music writers. That is, of course, more difficult to do and it is also more expensive, but it is an important function.

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PAUL MASSON VINEYARDS
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FACT SHEET

History of Paul Masson Vineyards

Dean M. Jennings, Director of Public Relations
362-8082

For 119 years, since the Paul Masson Vineyards had its beginnings in the Santa Clara Valley, its fine wines have spread the fame of the Valley throughout the world. The colorful story of this winery, California's oldest wine producer, and of the gentleman vintner and bon vivant whose name it bears is told and retold in many volumes of connoisseur wine lore.

It began in 1852, when Etienne Thée, a vigneron from Bordeaux, first planted grapes on the original Narvaez land grant south of San Jose and pioneered commercial winegrowing in the region. Thée was succeeded by his son-in-law, Charles Lefranc, and in turn by the latter's son-in-law, Paul Masson.

Born in 1859 at Beaune in the Burgundy district of France, Paul Masson came to California at the age of 19, when the Phylloxera vine pest had devastated the vineyard on the Côte d'Or where his family had made wine for three centuries. At that time the eyes of Old World vintners were attracted to California because of its climate, the most ideal for winegrowing found anywhere.

The young Burgundian émigré first enrolled at the University of the Pacific, which then was located in Santa Clara, to continue his scientific studies, begun at the Sorbonne in Paris. While a student, he became acquainted with his compatriot, Charles Lefranc, who then was adding to the vineyards inherited from Etienne Thée. Paul Masson became interested in the vineyards, and also in Lefranc's pretty daughter, Louise. He went to work for Lefranc, married Louise, and planted his own vineyard -- the "vineyard in the sky" atop the lofty Santa Cruz Mountains above Saratoga. After Lefranc died, the vineyards were merged and became the baronial domain of Paul Masson.

On periodic visits to his native France, Paul Masson brought back cuttings of choice European wine grape varieties. Some he planted to make his wines, champagnes and brandy; others he gave to neighboring growers who agreed to let him select the cream of the grape crops they produced.

He built a great stone winery at his mountain vineyard, with its foundations deep in the hillside to maintain constant cool temperatures in the wine aging cellars throughout the year. When the 1906 earthquake destroyed St. Patrick's Church in nearby San Jose, he purchased its 12th century Romanesque portal, originally

brought around Cape Horn from Spain, and erected it as part of the winery facade. Today this famous winery, damaged by fire in 1941 and restored as Paul Masson designed it, is officially designated by the State as California Historical Landmark No. 733.

In 1892 he perfected the first Paul Masson Champagne, which promptly began winning awards for quality in national and international competitions. One of his greatest triumphs was when his wine was awarded a prize for quality in the international competition held at the Paris Exposition of 1900.

Many legends about Paul Masson relate his talents as a gourmet, bon vivant and patron of the arts and music, his activities as a member of the California State Viticultural Commission, and his philosophy of fine wines. Volumes have been written about his entertainments for noted guests, including the famous occasion when he granted the wish of the beautiful actress, Anna Held, to take a champagne bath at his villa near Los Gatos.

For nearly half a century Paul Masson continued personally making his wines until his retirement in 1936, four years before his death at the age of eighty-one. His estate passed through the hands of intermediary owners until 1945, when it was acquired by Alfred Fromm and Franz Sichel, who, like president and co-owner Otto E. Meyer, are members of eminent European winegrowing families. For more than 20 years these proprietors have diligently maintained here the quality traditions of their Old World heritage and of the gentleman vintner, Paul Masson.

In 1959, the champagne making, aging, bottling and packaging and the blending and bottling of brandy were brought together in the new Paul Masson Champagne Cellars in Saratoga. Departing from traditional winery design, the cellars are a distinctive example of modern winery construction and contemporary architecture with every skill and facility that twentieth-century research and experience have contributed to the ancient art of winemaking. Adjoining the Champagne Cellars is the company's Certified Mother Vineyard, which is maintained under the supervision of the California State Department of Agriculture and the University of California to provide certified varietal planting stock for future vineyards.

To supply the growing world demand for Paul Masson wines, which by 1966 were being imported by 28 countries around the globe, more vineyards have been planted with pedigreed wine grape varieties. Across the Santa Clara Valley in the foothills of the Coast Range east of Gilroy is Paul Masson's 330-acre San Ysidro Vineyard, planted in 1948 under the direction of University of California viticulturists. Ranch San Ysidro is part of the original land grant to Don Ygnacio Ortega, the son of Captain Jose Ortega, who with Don Gaspar de Portola discovered San Francisco Bay in 1769. In 1962 and 1963, to assure a continuing supply of choice wine grapes for the even greater demand for fine wines anticipated in future decades, the 1,000-acre Paul Masson Pinnacles Vineyard was

planted in Monterey County, near Soledad in the northern part of the Salinas Valley, and yielded its first harvest in 1966.

Each year, adhering to the quality traditions maintained by the owners since 1852, Paul Masson wines, champagne and brandy continue to win highest awards at fairs and expositions throughout the Western Hemisphere, and to spread the fame of the Santa Clara Valley, the home of Paul Masson.

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FOR RELEASE OCTOBER 29, 1966

UC PRESIDENT KERR AT STATE'S NEW WINE DISTRICT OPENING

SAN FRANCISCO, Oct. 29. Successful opening of California's new coastal fine wine grape district, the upper Salinas Valley in Monterey County, was celebrated yesterday by county officials, wine industry leaders and University of California scientists who gathered for the event at the 1,000-acre Paul Masson Pinnacles Vineyard near Soledad.

The celebration, marking the first harvest of 14 premium grape varieties from 425,000 pedigreed vines planted there four years earlier, was a tribute to the University's viticulturists whose research inspired the multimillion-dollar venture in the valley long known as "the Salad Bowl of America."

Present to be officially honored by the Monterey Board of Supervisors and by the industry were U.C. President Clark Kerr, Chancellor Emil Mrak of the College of Agriculture at Davis, Viticulturist Dr. Albert J. Winkler, Enologist Dr. Maynard Amerine and members of the University's Department of Viticulture and Enology. It was Dr. Winkler and his staff who, in a search begun 30 years ago for new areas in the State capable of producing the shy-bearing delicate grapes for fine table wines and champagnes, found the Salinas Valley climate ideally suited and recommended grape planting there.

The successful harvest of Chardonnay, Riesling, Cabernet Sauvignon, Pinot Noir and other rare "varietal" grapes represents the first time in more than a century that a new vineyard area has been added to the coastal

Paul Masson Vineyards

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fine wine district of California. For 130 years, while Santa Clara, Alameda, Sonoma, Napa and other counties neighboring San Francisco Bay were winning world fame for their superior wines, owed to their ideal climate, Monterey County was bypassed completely because of its sparse 10-inch annual rainfall.

When the University's years of research proved by precise temperature measurements that the upper Salinas Valley possessed the same sunny but cool climate as the other coast counties, three leading California wine-growers, Paul Masson Vineyards of Saratoga, Mirassou Vineyards of San Jose and Wente Bros. of Livermore, became interested. In 1962, convinced by their own studies that the University was right, and looking for new vineyard land beyond the Bay Area where urbanization threatens existing farms, these producers acquired large acreages in the valley and began planting grapes there. They installed more than 100 miles of overhead sprinkler lines to supplement the valley's infrequent rains.

"Our company's multimillion dollar investment in planting this vineyard depended entirely on whether the University's findings would turn out right by this year," Paul Masson President Otto E. Meyer told yesterday's gathering. "Now, after four anxious years spent watching the young vines develop, this first harvest of perfect grapes shows in tests the same flavor and high acidity in balance with sugar content that we get in our Santa Clara vineyards. It more than justifies our highest hopes and assures us a continuing supply of premium table and sparkling wines for the growing world market in the 1970's and for decades to come."

Wine Institute Past President Harry Baccigaluppi of San Francisco, presiding at the luncheon celebration, said the new Monterey County vineyards have made history as the world's first fine wine district to be established as the direct result of scientific temperature research, and

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Paul Masson Vineyards

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that the University of California, which gets credit for the achievement, now leads all other wine countries in the sciences of viticulture and winemaking.

The vineyards which promise to transform the region "from Salad Bowl to Champagne Bowl" are located 132 miles south of San Francisco on El Camino Real (the King's Highway), which is US Highway 101. At this point the Salinas Valley is eight miles wide, sheltered from ocean fogs by the Santa Lucia Mountains on the west. On the east is the Gavilan Range, whose lofty crags and ancient caves comprise the Pinnacles National Monument.

Measurements of the district's climate, in terms of "degree days" of cumulative warmth above 50° Fahrenheit during the growing season, April through October, place it in both Districts I and II, similar to Santa Clara and Napa Counties in California, and between the climates of the Bordeaux and Burgundy districts of France.

Added advantages of the region are that the vineyards are on sloping bench land, high above the valley floor with adequate drainage and freedom from frost. The soil composition is principally Chular and Greenfield coarse sandy loam, consisting of decomposed granite washed down from the Gavilans through the centuries, gravelly and low in lime content like the vineyards of the Medoc and Graves districts of Bordeaux and the better vineyards in the Palatinate.

The grape varieties in the Pinnacles Vineyard, important for both varietal and generically-labeled wines, are Pinot Chardonnay, Pinot Blanc, Johannisberg Riesling, Franken Riesling (Sylvaner), French Colombard, Semillon, Sauvignon Blanc, Chenin Blanc, Gewürztraminer and Flora, all of which are white grapes, and Cabernet Sauvignon, Pinot Noir and Gamay Beaujolais, all reds. Flora is a new University of California variety of

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Paul Masson Vineyards

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great quality promise for white wines. The varietal wines are especially important in the steadily growing export trade in California wines, which Paul Masson Vineyards in recent years has pioneered in 28 countries around the globe.

Visitors yesterday also inspected the crushing facility built by Paul Masson to press and ferment the grapes from the Pinnacles Vineyard. It incorporates many advances in the handling of delicate premium grapes and wines. In order to minimize handling, grapes arrive at the crushing in the same shallow bins in which they are brought from the vineyard a short time earlier. This assures that the bunches will reach the crusher in perfect condition with each berry intact. A new type of equipment separates the grapes from their stems without bruising either, which heretofore was possible only if grapes were picked off the stems by hand. Storage containers of stainless steel and wood provide a total capacity of 2,600,000 gallons. The Pinnacles Vineyard wines, after preliminary aging, will be transported to the Paul Masson cellars at Saratoga for final aging, blending, bottling and binning before shipment to markets in this country and abroad.

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From Voice of Paul Masson
December, 1965

PAUL MASSON WINS PRESIDENTIAL AWARD

IT WAS A RED LETTER DAY November 10th for all the big "E" flying from the flagpole was bright blue. Paul Masson Vineyards had been honored with the President's "E" for Excellence in expanding export trade and Judge Roy L. Morgan, Director of the Office of Field Services for the Department of Commerce, had come from Washington to Saratoga to present the banner and citation. Paul Masson's president, Otto E. Meyer, accepted the honors for the company at the champagne luncheon commemorating the auspicious occasion. Distinguished guests paying tribute to the 113-year-old winery for its success in pioneering the introduction of premium wines into foreign wholesale and retail channels during the past three years included governmental officials from Washington, D.C., Sacramento, San Francisco and Santa Clara County; representatives of finance and industry, letters and arts; and other fine friends of Paul Masson.

In designating Paul Masson Vineyards for the highest honor the United States government bestows on a business organization, the Department of Commerce stated, "Competing on the basis of quality with the best Europe has to offer, this company has won trade and consumer acceptance in key overseas markets for its California wines. For the first time, consumers in 22 other countries have been made aware that fine wines are produced in America. As a result, permanent export markets have been opened for our Nation's premium wines."

The Department further cited Masson for its assistance in solving numerous trade barrier problems such as labeling and import regulations, for holding scores of wine tastings attended by wine merchants, restaurateurs and the public in many countries, for exhibiting its lines in United States overseas exhibits and trade centers and for efficiently utilizing the Department's business development facilities abroad.

Surveys into export opportunities in Japan, Hong Kong, the Philippines and Europe, all made primarily by Mr. Meyer, were the basis of establishing Paul Masson's export department (headed by Ray Baldwin) three years ago. Recognition of the strides made in gaining acceptance for California wines abroad come not only from the governmental honors so recently bestowed, but in the facts of the increasing number of countries being added to the original list and the projected distribution of Paul Masson and other California wines by the Prismic chain of 250 department stores in France early next year.

Paul Masson not alone accepted a challenge and blazed new trails to its own credit but, in this instance, to the benefit of fellow members of the industry and the American image abroad. For Europeans with first hand knowledge of the favorable comparison between American and foreign premium wines can only have an impression of a people dedicated to the finer things in life.

GOVERNOR Edmund G. "Pat" Brown sent his regrets at not being able to attend the luncheon, but sent his hearty congratulations and warm good wishes.

Eugene Braderman, Deputy Assistant Secretary for Commercial Affairs and Business Activities, U.S. Department of State, sent a wire reading:

"The Department of State congratulates you and your colleagues on achieving the "E" Award. You are to be congratulated on your initiative and success in developing export for American Wines."

R. A. Peterson, President, Bank of America, wired:

"The Bank of America takes pleasure in congratulating you and the Paul Masson organization upon being awarded the Presidential "E" for your efforts in the Export Expansion of our country. This is particularly significant inasmuch as I understand it is the first award made to the wine industry. Sincere congratulations."

As president of the San Francisco Port Authority, Cyril Magnin wired his regrets at having to be in Washington, D.C. and continued:

"... I want to take this means of congratulating you on receiving the President's "E" Award for Excellence in pioneering the export of American wines around the world. We of the Port Authority know what a fine job you have done and congratulate your organization and yourself on receiving this coveted award."

There were many others—too numerous to reproduce—but all are warmly appreciated.

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